



Amendment No. 2  
of  
Contract No. NA170000039  
for  
Merchant Card Processing Services  
between  
Paymentech, LLC  
and the  
City of Austin

- 1.0 The City hereby exercises the extension option for the above mentioned contract. Effective November 29, 2019 to November 28, 2021. One option remains.
- 2.0 The total contract amount is increased by \$34,392.00 for the extension option period. The total Contract authorization is recapped below:

Term	Action Amount	Total Contract Amount
Basic Term: 11/29/2016 – 11/28/2019	\$3,700,000.00	\$3,700,000.00
Amendment No. 1: Modification 02/15/2017	\$0.00	\$3,700,000.00
Amendment No. 2: Option 1 - Extension 11/29/2019 – 11/28/2021	\$3,300,000.00	\$7,000,000.00

- 3.0 MBE/WBE goals were not established for this contract.
- 4.0 By signing this Amendment, the Contractor certifies that the Contractor and its principals are not currently suspended or debarred from doing business with the Federal Government, as indicated by the General Services Administration (GSA) List of Parties Excluded from Federal Procurement and Non-Procurement Programs, the State of Texas, or the City of Austin.
- 5.0 All other terms and conditions remain the same.

BY THE SIGNATURES affixed below, this Amendment is hereby incorporated into and made a part of the above-referenced contract.

Signature and Date:

9/4/19

Printed Name:  
Authorized Representative

Luis A. Marrero Jr.

Paymentech, LLC  
14221 Dallas Parkway  
Dallas, Texas 75254

Executive Director

Signature and Date:

Cyrenthia Ellis, Procurement Manager  
City of Austin  
Purchasing Office

10-30-19



Amendment No. 1  
To  
Contract No. MA 7400 NA170000039  
For  
Merchant Card Processing Services  
Between  
Paymentech, LLC  
And The  
City of Austin

1.0 The Contract is hereby amended as follows:

1.1 The Schedule A to Merchant Agreement in the Contractor's Proposal is deleted and replaced in its entirety with the Schedule A to Merchant Agreement attached hereto.

2.0 The total Contract amount is increased by \$0. The total Contract authorization is recapped below:

Term	Contract Amount for the Item	Total Contract Amount
Base Term: 11/29/2016 – 11/28/2019	\$3,700,000.00	\$3,700,000.00
Amendment No. 1: Modification	\$0.00	\$3,700,000.00

3.0 MBEWBE goals were not established for this Contract.

4.0 By signing this Amendment the Contractor certifies that the Contractor and its principals are not currently suspended or debarred from doing business with the Federal Government, as indicated by the General Services Administration (GSA) List of Parties Excluded from Federal Procurement and Non-Procurement Programs, the State of Texas, or the City of Austin.

5.0 ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.

BY THE SIGNATURES affixed below, this Amendment is hereby incorporated and made a part of the above referenced Contract.

Signature: 

Printed Name: C. Danielle Lord

Corp. Purchasing Mgr.  
City of Austin  
Purchasing Office

Date: 2/15/17

Signature: 

Printed Name: Matthew P. Lerner

Authorized Representative  
Paymentech, LLC  
14221 Dallas Parkway  
Dallas, Texas 75254

Date: December 19, 2016

# Schedule A to Merchant Agreement

Merchant: **City of Austin**

NAPFINSCH DAICP11 20161201 V3.16.4

## Assumptions

Transaction related assumptions		Other assumptions	
Payment Transaction Sales Volume	\$46,691,918	Number of locations	91
Average Transaction Amount	\$70.24	Authorization / Capture %	103.1%
PIN Debit / EBT Transactions	28	Chargebacks as % of Sales Transactions	0.0130%
Conveyed Transactions	64,770	Billing Frequency	Monthly
Safetech Encrypted Items	N/A		

Target Qualification Level:	MasterCard:	Merit III	MM3
	Visa:	CPS Retail	VPSC
	Discover:	PSL Retail - Core	D164

## 1. Fees applied on every transaction

**Payment Brand Interchange & any incremental discount rate %** – MasterCard, Visa and Discover assess an Interchange Rate, Interchange Fee, Assessment Fee and Network Fee for each transaction. These rates and fees will be passed through at cost. Payment Brand interchange rates can be accessed by visiting the Learning & Resources section of Chase Paymentech's website, and selecting "Understanding Interchange".

MasterCard, Visa & Discover Interchange Rates	as set by each Payment Brand
MasterCard, Visa & Discover Incremental Discount Rate	0.0250%
PIN Debit and/or EBT Network Fees	All standard PIN Debit Network Fees will be assessed
PIN Debit – Incremental Discount Rate	N/A
JCB (Japanese Credit Bureau)	Pass-thru of Interchange Fees
Voyager Discount Rate (if settled)	N/A

Payment Brand Assessments			Payment Brand Network Fees	Credit	Debit
MasterCard	Credit transactions < \$1000 and all Debit transactions	0.120%	MasterCard Network Access & Brand Usage Fee (NABU) (Charged per Authorization & per Refund)	\$0.0195	\$0.0195
	Credit transactions > \$1000	0.140%			
Visa	Debit transactions	0.130%	Visa Processing Fee (APF) (Charged per Authorization & per Refund)	\$0.0195	\$0.0155
	Credit transactions	0.130%			
Discover / JCB		0.130%	Discover / JCB Data Usage Fee	\$0.0195	\$0.0195

Transaction Fees	
MasterCard per transaction	N/A
Visa per transaction	N/A
Discover per transaction	N/A
JCB per transaction	N/A
American Express per transaction	N/A
PIN Debit per transaction	\$0.0300
EBT per transaction	N/A
Check Verification – Scan per transaction	N/A
Voyager per transaction	N/A
Wright Express per transaction	N/A
Hosted Pay Page per transaction	N/A

Authorization Fees	
MasterCard per authorization	\$0.0500
Visa per authorization	\$0.0500
Discover per authorization	\$0.0500
JCB per authorization	\$0.0500
American Express per authorization	\$0.0650
Voyager per authorization	N/A
Wright Express per authorization	N/A
Private Label per authorization	N/A
Dial Backup authorization surcharge	N/A
Encryption Fees	
Safetech Encryption per transaction	N/A
Safetech Tokenization per transaction	N/A

Customer initials	x_____	Please initial to acknowledge page 1 of the Schedule A pricing sheet
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## 2. One Time and Periodic Fees

One Time Fees		Monthly Fees		Annual Fees	
Account Setup Fee	N/A	Monthly Service Fee <sup>1</sup>	N/A	Annual Fee	N/A
Rush Fee	N/A	Monthly Minimum Fee <sup>2</sup>	\$25.00	Payment Brand Fees	
Terminal Reprogram Fee	N/A	Monthly Helpdesk Fee	N/A	Visa Fixed Acquirer Network Fee <sup>4</sup>	Varies
PIN Debit Setup Fee	N/A	Online Reporting Tool	N/A	MC Merchant Location Fee <sup>5</sup>	\$15.00
PIN Pad Encryption Fee	N/A	Safetech Encryption <sup>3</sup>	N/A		
<b>Internet Product: Authorize.Net</b>					
Setup fee	\$199.00	Monthly fee	\$25.00		
Third Party Setup fee	N/A	Third Party Monthly fee	N/A		

- 1 – Monthly service fees will be debited for the first time in the month after your account has been set up. These fees will be debited regardless of whether you are processing transactions through your account.
- 2 – We will apply the Monthly Minimum Fee only when the total amount of all processing fees (Sections 1, 3A, & 4) is less than \$25.00. If your processing fees do not reach \$25.00, we will charge the difference. For example, if processing fees total \$17.00 we would charge an additional \$8.00 to meet the \$25.00 minimum.
- 3 – If Merchant obtains point of sale device(s) from Chase Paymentech for use with Safetech Encryption, the following additional fees shall be assessed: (a) a one-time fee of \$10.90 per device; and (b) an encryption injection fee of \$34.95 per device per occurrence. These assessments are in addition to the above Safetech Encryption Fee(s). If Merchant obtains point of sale device(s) from a third party, additional fees may apply. Merchant acknowledges and understands that its use of any fraud mitigation or security enforcement solution (e.g. an encryption product or service), whether provided to merchant by Paymentech or a third party, in no way limits Merchant's obligation to comply with the Security Standards or Merchant's liabilities set forth in this Agreement.
- 4 – Visa Fixed Acquirer Network Fee is a monthly fee assessed by Visa based on Merchant Category Code (MCC), dollar volume, number of merchant locations, number of Tax IDs, and whether the physical Visa card is present or not present at the time of the transaction. This fee can vary monthly.
- 5 – MC Merchant Location Fee is an annual fee assessed by MasterCard per merchant location with MasterCard or Maestro transaction volume in the past 12 months. This fee will be assessed in February.

## 3. Per Incidence Fees

### 3A. Per Incidence Fees: Charged every time your account incurs one of the below items

Chargeback Fee	\$5.00	Charged when a cardholder or card-issuing bank formally protests a charge
Voice Authorization Fee	\$0.65	Charged when you call the Voice Authorization phone number to authorize a credit card
AVS Fee – Electronic	N/A	Charge for each electronic address verification authorization
Batch Settlement Fee	N/A	Charged for each batch of transaction(s) you submit for settlement
ACH fee	\$0.50	Charged for each ACH (transmission of funds) sent to your account
ACH Return Fee	\$25.00	Charged when Chase Paymentech is unable to debit fees from your account

### 3B. Per Request Fees: Charged every time you request one of the below items

Statement Fee (Email / ROL)	N/A	No charge if statements are sent to a valid email address or accessed by Merchant through Resource Online, as elected by Merchant on the Application.
Statement Fee (Mail)	\$5.00	Charged each month Chase Paymentech mails a statement (whether at the request of Merchant or because delivery to a valid email address has failed)
Statement Fee (Reprint)	N/A	Charged for each archived statement you request to have printed
Supplies: Billed Per Order	N/A	Charges for supply orders vary based on the items ordered
Dynamic Debit Surcharge Fee	N/A	Charged for each PIN Debit transaction routed with the Dynamic Routing product
PIN Debit Injection Fee	\$40.00	Charged when merchant elects PIN Debit processing and applies to each device not purchased from Chase Paymentech.

Statement Type:	Mail-(P)	Statement only	Statement Frequency:	Monthly
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Customer initials	x _____	Please initial to acknowledge page 2 of the Schedule A pricing sheet
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4. Payment Brand Fees – Per Incidence		
MC Acquiring License Fee *	0.004%	Charged on MasterCard Gross Sales volume. See additional information under Payment Brand Charges section on page 4.
MC Digital Enablement / Card Not Present Fee	0.010%	Charged on MasterCard Card Not Present Gross Sales volume.
DI Network Authorization Fee	\$0.0025	Charged by Discover on all authorizations for card transactions that are settled through the Discover Network
MC Auth Access Fee – AVS Card Present	\$0.010	Charged by MasterCard when a merchant uses the address verification service to validate a cardholder address
MC Auth Access Fee – AVS Card Not Present	\$0.010	
MC Auth Access Fee	\$0.005	Charged by MasterCard when an authorization is reversed or the authorization is provided by MasterCard if the card Issuer is not available.
MC Card Validation Code 2 Fee	\$0.0025	Charged by MasterCard when a merchant submits the Card Validation Code 2 (CVC2) in an authorization request
MC SecureCode Transaction Fee	\$0.030	Charged on MasterCard SecureCode transactions that are sent for verification.
MC Account Status Fee (Intra-regional)	\$0.025	Charged by MasterCard or Visa when a merchant uses this service to do an inquiry that a card number is valid
MC Account Status Fee (Inter-regional)	\$0.03	
Visa Zero \$ Account Verification Fee	\$0.025	
MC Processing Integrity Fee	\$0.055	Charged when a card is authorized but not deposited and the authorization is not reversed in a timely manner.
Visa Misuse of Authorization Fee	\$0.093	
Visa Zero Floor Limit Fee	\$0.20	Charged when a transaction is deposited but never authorized
Visa Transaction Integrity Fee	\$0.10	Applies to Visa Debit & Prepaid transactions that do not meet qualification criteria for Custom Payment Service (CPS) categories
MC Ineligible Chargeback Blocking Fee	\$3.00	Charged when a fraud related Chargeback is blocked by MasterCard.
MC Cross Border Assessment Fee	0.60%	Charged by MasterCard, Visa, Discover and JCB on foreign bank issued cards.
Visa International Service Assessment Fee	0.80%	
Discover / JCB International Service Fee	0.80%	
MC International Support Fee	0.85%	Additional fee charged by MasterCard, Visa, Discover and JCB on foreign bank issued cards.
Visa Interregional Acquiring Fee	0.45%	
Discover / JCB International Processing Fee	0.50%	
Visa Partial Auth Non-Participation Fee	\$0.01	Applies to Petroleum merchants using automated fuel pumps that do not support Partial Authorization
MC Global Wholesale Travel Transaction Program B2B Fee	1.57%	Applies to Travel merchants for transactions qualifying at the MasterCard Commercial Business-to-Business interchange category.

5. Other Fees			
Fee Description	Amount	Fee Description	Amount

Customer initials	x _____	Please initial to acknowledge page 3 of the Schedule A pricing sheet
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**Equipment Swap Fees**

Type	Description	Fee
Replacement Fee (swap)	In warranty - Terminals, Printers, & Pinpads <sup>1</sup>	\$50.00
Replacement Fee (swap)	Out of warranty - Terminals, Printers, & Pinpads: Replacement (swap) fees vary based on Manufacturer and Model and will fall within the specified range to the right	\$100 - \$500
Injection Fee (swap)	Safetech Encryption Injection	\$34.95
Restocking Fee	Return equipment for any reason other than repair	\$150.00
Late Fee	For all equipment returned late, or not returned	\$500.00

**1) New Equipment Warranty timeframes**

5 years – Verifone Vx520, Vx820 PIN Pad, 1000SE PIN Pad; Ingenico iCT250

1 year – all other new equipment

In warranty coverage applies only to new equipment purchased or leased from Chase Paymentech

**Amount payable upon Termination**

In addition to the other amounts due under this Agreement (including without limitation, the fees and charges described in this Schedule A), you may owe an amount in the event you terminate this Agreement. Whether you will owe that amount, and how much you will owe, will be determined in accordance with Section 10 of the Merchant Agreement.

**Payment Brand Charges**

Part of the fees that we charge you for processing your transactions consist of fees we pay to the Payment Brands. These charges, called "Payment Brand Charges", include, but are not limited to, interchange rates, assessments, file transmission fees, access fees, and international and cross border fees. Therefore, in addition to the rates set forth above, you also will be charged Payment Brand Charges. Payment Brand interchange rates can be accessed online by visiting the Learning & Resources section of Chase Paymentech's website, and selecting "Understanding Interchange".

Please note that Chase Paymentech may, from time to time, elect not to charge you for certain existing, new or increased Payment Brand Charges. If we elect not to charge you, we still reserve the right to begin charging you for existing, new or increased Payment Brand Charges at any time in the future, upon notice to you. No such Payment Brand Charges will be imposed retroactively.

\* MasterCard assesses the MasterCard Acquiring License Fee annually to each Acquirer based on the total annual volume of MasterCard-branded sales (excluding Maestro PIN debit volume) of its U.S. domiciled merchants. To fairly distribute the fee across all Chase Paymentech MasterCard-accepting merchants, a rate of 0.004% will be applied to all of your MasterCard gross sales transactions.

**6. Authorized Signature**

Authorized Representative Signature: Must appear on Merchant Application section 11

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

X

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Please ensure you have initialed pages 1, 2 and 3





Amendment No. 1  
To  
Contract No. MA 7400 NA170000039  
For  
Merchant Card Processing Services  
Between  
Paymentech, LLC  
And The  
City of Austin

1.0 The Contract is hereby amended as follows:

1.1 The Schedule A to Merchant Agreement in the Contractor's Proposal is deleted and replaced in its entirety with the Schedule A to Merchant Agreement attached hereto.

2.0 The total Contract amount is increased by \$0. The total Contract authorization is recapped below:


Term	Contract Amount for the Item	Total Contract Amount
Base Term: 11/29/2016 – 11/28/2019	\$3,700,000.00	\$3,700,000.00
Amendment No. 1: Modification	\$0.00	\$3,700,000.00

3.0 MBE/WBE goals were not established for this Contract.


4.0 By signing this Amendment the Contractor certifies that the Contractor and its principals are not currently suspended or debarred from doing business with the Federal Government, as indicated by the General Services Administration (GSA) List of Parties Excluded from Federal Procurement and Non-Procurement Programs, the State of Texas, or the City of Austin.

5.0 ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.

BY THE SIGNATURES affixed below, this Amendment is hereby incorporated and made a part of the above referenced Contract.

Signature:   
Printed Name: Matthew Dorce  
Byron Spensism  
City of Austin  
Purchasing Office

12/20/16  
Date

Signature:   
Printed Name: Matthew P. Lemer  
Authorized Representative  
Paymentech, LLC  
14221 Dallas Parkway  
Dallas, Texas 75254

December 19, 2016  
Date

# Schedule A to Merchant Agreement

Merchant: **City of Austin**

NAPFINSCHEDAICPT1 20160701 V3.16.2

## Assumptions

Transaction related assumptions		Other assumptions	
Payment Transaction Sales Volume	\$46,691,918	Number of locations	91
Average Transaction Amount	\$70.24	Authorization / Capture %	103.1%
PIN Debit / EBT Transactions	28	Chargebacks as % of Sales Transactions	0.0130%
Conveyed Transactions	64,770	Billing Frequency	Monthly
Safetech Encrypted Items	N/A		

### Target Qualification Level:

MasterCard:	Merit III	MM3
Visa:	CPS Retail	VPSC
Discover:	PSL Retail - Core	D164

## 1. Fees applied on every transaction

**Payment Brand Interchange & any incremental discount rate %** — MasterCard, Visa and Discover assess an Interchange Rate, Interchange Fee, Assessment Fee and Network Fee for each transaction. These rates and fees will be passed through at cost. Payment Brand interchange rates can be accessed by visiting the Learning & Resources section of Chase Paymentech's website, and selecting "Understanding Interchange".

MasterCard, Visa & Discover Interchange Rates	as set by each Payment Brand
MasterCard, Visa & Discover Incremental Discount Rate	0.0250%
PIN Debit and/or EBT Network Fees	All standard PIN Debit Network Fees will be assessed
PIN Debit – Incremental Discount Rate	N/A
JCB (Japanese Credit Bureau)	Pass-thru of Interchange Fees
Voyager Discount Rate (if settled)	N/A

Payment Brand Assessments		
MasterCard	Credit transactions < \$1000 and all Debit transactions	0.120%
	Credit transactions > \$1000	0.140%
Visa	Debit transactions	0.130%
	Credit transactions	0.130%
Discover / JCB		0.130%

Payment Brand Network Fees	Credit	Debit
MasterCard Network Access & Brand Usage Fee (NABU) (Charged per Authorization & per Refund)	\$0.0195	\$0.0195
Visa Processing Fee (APF) (Charged per Authorization & per Refund)	\$0.0195	\$0.0155
Discover / JCB Data Usage Fee	\$0.0195	\$0.0195

Transaction Fees	
MasterCard per transaction	N/A
Visa per transaction	N/A
Discover per transaction	\$0.0300
JCB per transaction	N/A
American Express per transaction	N/A
PIN Debit per transaction	\$0.0300
EBT per transaction	N/A
Check Verification – Scan per transaction	N/A
Voyager per transaction	N/A
Wright Express per transaction	N/A
Hosted Pay Page per transaction	N/A

Authorization Fees	
MasterCard per authorization	\$0.0500
Visa per authorization	\$0.0500
Discover per authorization	\$0.0500
JCB per authorization	\$0.0500
American Express per authorization	\$0.0650
Voyager per authorization	N/A
Wright Express per authorization	N/A
Private Label per authorization	N/A
Dial Backup authorization surcharge	N/A
Encryption Fees	
Safetech Encryption per transaction	N/A
Safetech Tokenization per transaction	N/A

Customer Initials

x 

Please initial to acknowledge page 1 of the Schedule A pricing sheet



## 2. One Time and Periodic Fees

One Time Fees		Monthly Fees		Monthly Fees – Pass Thru	
Account Setup Fee	N/A	Monthly Service Fee <sup>1</sup>	N/A	Visa Fixed Acquirer Network Fee <sup>4</sup>	Varies
Rush Fee	N/A	Monthly Minimum Fee <sup>2</sup>	\$25.00		
Terminal Reprogram Fee	N/A	Monthly Helpdesk Fee	N/A		
PIN Debit Setup Fee	N/A	Online Reporting Tool	N/A		
PIN Pad Encryption Fee	N/A	Safetech Encryption <sup>3</sup>	N/A		
				Annual Fees	
				Annual Fee	N/A

### Internet Product: Authorize.Net

Setup fee	\$199.00	Monthly fee	\$25.00
Third Party Setup fee	N/A	Third Party Monthly fee	N/A

- 1 – Monthly service fees will be debited for the first time in the month after your account has been set up. These fees will be debited regardless of whether you are processing transactions through your account.
- 2 – We will apply the Monthly Minimum Fee only when the total amount of all processing fees (Sections 1, 3A, & 4) is less than \$25.00. If your processing fees do not reach \$25.00, we will charge the difference. For example, if processing fees total \$17.00 we would charge an additional \$8.00 to meet the \$25.00 minimum.
- 3 – If Merchant obtains point of sale device(s) from Chase Paymentech for use with Safetech Encryption, the following additional fees shall be assessed: (a) a one-time fee of \$10.90 per device; and (b) an encryption injection fee of \$34.95 per device per occurrence. These assessments are in addition to the above Safetech Encryption Fee(s). If Merchant obtains point of sale device(s) from a third party, additional fees may apply. Merchant acknowledges and understands that its use of any fraud mitigation or security enhancement solution (e.g. an encryption product or service), whether provided to merchant by Paymentech or a third party, in no way limits Merchant's obligation to comply with the Security Standards or Merchant's liabilities set forth in this Agreement.
- 4 – Visa Fixed Acquirer Network Fee is a monthly fee assessed by Visa based on Merchant Category Code (MCC), dollar volume, number of merchant locations, number of Tax IDs, and whether the physical Visa card is present or not present at the time of the transaction. This fee can vary monthly.

## 3. Per Incidence Fees


### 3A. Per Incidence Fees: Charged every time your account incurs one of the below items

Chargeback Fee	\$5.00	Charged when a cardholder or card-issuing bank formally protests a charge
Voice Authorization Fee	\$0.65	Charged when you call the Voice Authorization phone number to authorize a credit card
AVS Fee – Electronic	N/A	Charge for each electronic address verification authorization
Batch Settlement Fee	N/A	Charged for each batch of transaction(s) you submit for settlement
ACH fee	\$0.50	Charged for each ACH (transmission of funds) sent to your account
ACH Return Fee	\$25.00	Charged when Chase Paymentech is unable to debit fees from your account

### 3B. Per Request Fees: Charged every time you request one of the below items


Statement Fee (Email / ROL)	N/A	No charge if statements are sent to a valid email address or accessed by Merchant through Resource Online, as elected by Merchant on the Application.
Statement Fee (Mail)	\$5.00	Charged each month Chase Paymentech mails a statement (whether at the request of Merchant or because delivery to a valid email address has failed)
Statement Fee (Reprint)	N/A	Charged for each archived statement you request to have printed
Supplies: Billed Per Order	N/A	Charges for supply orders vary based on the items ordered
Dynamic Debit Surcharge Fee	N/A	Charged for each PIN Debit transaction routed with the Dynamic Routing product
PIN Debit Injection Fee	\$40.00	Charged when merchant elects PIN Debit processing and applies to each device not purchased from Chase Paymentech.

Statement Type:	Mail-(P)	Statement only	Statement Frequency:	Monthly
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Customer Initials	x 	Please initial to acknowledge page 2 of the Schedule A pricing sheet
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4. Payment Brand Fees – Per Incidence		
MC Acquiring License Fee *	0.0040%	Charged on MasterCard Gross Sales volume. See additional information under Payment Brand Charges section on page 4.
MC Digital Enablement / Card Not Present Fee	0.010%	Charged on MasterCard Card Not Present Gross Sales volume.
DI Network Authorization Fee	\$0.0025	Charged by Discover on all authorizations for card transactions that are settled through the Discover Network
MC Auth Access Fee – AVS Card Present	\$0.010	Charged by MasterCard when a merchant uses the address verification service to validate a cardholder address
MC Auth Access Fee – AVS Card Not Present	\$0.010	
MC Auth Access Fee	\$0.005	Charged by MasterCard when an authorization is reversed or the authorization is provided by MasterCard if the card Issuer is not available.
MC Card Validation Code 2 Fee	\$0.0025	Charged by MasterCard when a merchant submits the Card Validation Code 2 (CVC2) in an authorization request
MC SecureCode Transaction Fee	\$0.030	Charged on MasterCard SecureCode transactions that are sent for verification.
MC Account Status Fee (Intra-regional)	\$0.025	Charged by MasterCard or Visa when a merchant uses this service to do an inquiry that a card number is valid
MC Account Status Fee (Inter-regional)	\$0.03	
Visa Zero \$ Account Verification Fee	\$0.025	
MC Processing Integrity Fee	\$0.055	Charged when a card is authorized but not deposited and the authorization is not reversed in a timely manner
Visa Misuse of Authorization Fee	\$0.048	
Visa Zero Floor Limit Fee	\$0.10	Charged when a transaction is deposited but never authorized
Visa Transaction Integrity Fee	\$0.10	Applies to Visa Debit & Prepaid transactions that do not meet qualification criteria for Custom Payment Service (CPS) categories
MC Cross Border Assessment Fee	0.60%	Charged by MasterCard, Visa, Discover and JCB on foreign bank issued cards.
Visa International Service Assessment Fee	0.80%	
Discover / JCB International Service Fee	0.80%	
MC International Support Fee	0.85%	Additional fee charged by MasterCard, Visa, Discover and JCB on foreign bank issued cards.
Visa Interregional Acquiring Fee	0.45%	
Discover / JCB International Processing Fee	0.50%	
Visa Partial Auth Non-Participation Fee	\$0.01	Applies to Petroleum merchants using automated fuel pumps that do not support Partial Authorization
MC Global Wholesale Travel Transaction Program B2B Fee	1.57%	Applies to Travel merchants for transactions qualifying at the MasterCard Commercial Business-to-Business interchange category.

5. Other Fees			
Fee Description	Amount	Fee Description	Amount

Customer Initials	x 	Please initial to acknowledge page 3 of the Schedule A pricing sheet
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**Equipment Swap Fees**

Type	Description	Fee
Replacement Fee (swap)	In warranty - Terminals, Printers, & Pinpads <sup>1</sup>	\$50.00
Replacement Fee (swap)	Out of warranty - Terminals, Printers, & Pinpads: Replacement (swap) fees vary based on Manufacturer and Model and will fall within the specified range to the right	\$100 - \$500
Injection Fee (swap)	Safetech Encryption Injection	\$34.95
Restocking Fee	Return equipment for any reason other than repair	\$150.00
Late Fee	For all equipment returned late, or not returned	\$500.00

**1) New Equipment Warranty timeframes**

5 years – Verifone Vx520, Vx820 PIN Pad, 1000SE PIN Pad; Ingenico iCT250

1 year – all other new equipment

In warranty coverage applies only to new equipment purchased or leased from Chase Paymentech

**Amount payable upon Termination**

In addition to the other amounts due under this Agreement (including without limitation, the fees and charges described in this Schedule A), you may owe an amount in the event you terminate this Agreement. Whether you will owe that amount, and how much you will owe, will be determined in accordance with Section 10 of the Merchant Agreement.

**Payment Brand Charges**

Part of the fees that we charge you for processing your transactions consist of fees we pay to the Payment Brands. These charges, called "Payment Brand Charges", include, but are not limited to, interchange rates, assessments, file transmission fees, access fees, and international and cross border fees. Therefore, in addition to the rates set forth above, you also will be charged Payment Brand Charges. Payment Brand interchange rates can be accessed online by visiting the Learning & Resources section of Chase Paymentech's website, and selecting "Understanding Interchange".

Please note that Chase Paymentech may, from time to time, elect not to charge you for certain existing, new or increased Payment Brand Charges. If we elect not to charge you, we still reserve the right to begin charging you for existing, new or increased Payment Brand Charges at any time in the future, upon notice to you. No such Payment Brand Charges will be imposed retroactively.

\* MasterCard assesses the MasterCard Acquiring License Fee annually to each Acquirer based on the total annual volume of MasterCard-branded sales (excluding Maestro PIN debit volume) of its U.S. domiciled merchants. To fairly distribute the fee across all Chase Paymentech MasterCard-accepting merchants, a rate of 0.004% will be applied to all of your MasterCard gross sales transactions.

**6. Authorized Signature**

Authorized Representative Signature: Must appear on Merchant Application section 11



Printed Name



Title

x



Signature



Date

Please ensure you have initialed pages 1, 2 and 3

**CONTRACT BETWEEN THE CITY OF AUSTIN ("CITY") OR ("MERCHANT")  
AND  
PAYMENTECH, LLC ("CONTRACTOR") OR ("PAYMENTECH")  
FOR  
MERCHANT CARD PROCESSING SERVICES  
MA 7400 NA170000039**

The City accepts the Contractor's Proposal (as referenced in Section 1.1.3 below) for the above requirement and enters into the following Contract.

This Contract is between Paymentech, LLC having offices at 14221 Dallas Parkway, Dallas, Texas 75254 and the City, a home-rule municipality incorporated by the State of Texas, and is effective as of the date executed by the both parties ("Effective Date").

Capitalized terms used but not defined herein have the meanings given them in Request for Proposal TVN0055REBID (the "RFP").

**1.1 This Contract is composed of the following documents:**

- 1.1.1 This document
- 1.1.2 The RFP, including all documents incorporated by reference
- 1.1.3 The Contractor's Proposal, dated March 17, 2016, including subsequent clarifications ("Contractor's Proposal")
- 1.1.4 Exhibit A, the executed Select Government Merchant Payment Instrument Processing Agreement U.S. Government Agreement.

**1.2 Order of Precedence.** Any inconsistency or conflict in the Contract documents shall be resolved by giving precedence in the following order:

- 1.2.1 This document
- 1.2.2 Exhibit A, the executed Select Government Select Government Merchant Instrument Processing U.S. Government Agreement
- 1.2.3 The RFP as referenced in Section 1.1.2
- 1.2.4 The Contractor's Proposal as referenced in Section 1.1.3, including subsequent clarifications
- 1.2.5 Further, to the extent there is any inconsistency or conflicts in the Contract documents with respect to any Payment Brand issue, it is agreed that the provisions concerning such Payment Brand issue set forth in Exhibit A, the executed Select Government Select Government Merchant Instrument Processing U.S. Government Agreement, shall govern.

**1.3 Term of Contract.** The Contract will be in effect for an initial term of 36 months and may be extended thereafter for up to two 24 month extension options, subject to the approval of the Contractor and the City Purchasing Officer or his designee. See the Term of Contract provision in Section 0400 of the RFP for additional Contract requirements.

**1.4 Compensation.** The Contractor shall be paid a total Not-to-Exceed amount of \$3,700,000 for the initial Contract term, \$3,300,000 for the first extension option and \$3,800,000 for the second extension option.

**1.5 Quantity of Work.** There is no guaranteed quantity of work for the period of the Contract and there are no minimum order quantities. Work will be on an as needed basis as specified by the City.

**1.6 Clarifications and Additional Agreements.** The following are incorporated into the Contract.



1.6.1 The Select Government Merchant Payment Instrument Processing Agreement U.S. Government Agreement in the Contractor's Proposal is replaced in its entirety with the executed Select Government Merchant Payment Instrument Processing Agreement U.S. Government Agreement attached hereto as Exhibit A.

1.6.2 Paragraph 1.1 Exclusivity of the Select Government Merchant Payment Instrument Processing Agreement U.S. Government Agreement shall only apply to those City departments/agencies within the scope of the RFP and specifically shall not apply to the City's parking and utility customer payments.

This Contract (including any Exhibits) constitutes the entire agreement of the parties regarding the subject matter of this Contract and supersedes all prior and contemporaneous agreements and understandings, whether written or oral, relating to such subject matter. This Contract may be altered, amended, or modified only by a written instrument signed by the duly authorized representatives of both parties.

In witness whereof, the parties have caused a duly authorized representative to execute this Contract on the date set forth below.

**PAYMENTECH, LLC**

Jeffrey Burns

Printed Name of Authorized Person

[Signature]

Signature

V.P.

Title:

11/18/16

Date:

**CITY OF AUSTIN**

Matthew Dree

Printed Name of Authorized Person

[Signature]

Signature

Buyer Senior Supervisor

Title:

11-25-16

Date:



**SELECT GOVERNMENT MERCHANT PAYMENT CARD PROCESSING AGREEMENT  
U.S. GOVERNMENT AGREEMENT**

THIS SELECT GOVERNMENT MERCHANT PAYMENT CARD PROCESSING AGREEMENT (the "Agreement") is entered into by and between JPMorgan Chase Bank, N.A., a national banking association ("Member"), Paymentech, LLC, a Delaware limited liability company ("Paymentech"), and the City of Austin, a home-rule municipality duly organized under the laws of the state of Texas ("Merchant").

**WHEREAS**, Member is a member of several Payment Brands and Paymentech is authorized, through Member, to process the Merchant's Transactions; and

**WHEREAS**, Merchant wishes to accept Payment Cards from its Payors as a method of payment for goods or services offered by Merchant or as payment on an account held by Merchant;

**ACCORDINGLY**, in consideration of the mutual promises made and the mutual benefits to be derived from this Agreement, Paymentech, Member, and Merchant agree to the following terms and conditions intending to be legally bound:

**1. MERCHANT'S ACCEPTANCE OF PAYMENT CARDS.**

**1.1 Exclusivity.** Unless otherwise agreed to by the parties in writing, during the term of this Agreement Paymentech shall be Merchant's exclusive provider of all Transaction processing services (including, without limitation, the authorization, conveyance and settlement of Transactions) and Merchant shall not use the services of any bank, corporation, entity or person other than Paymentech for such services. Merchant shall submit to Paymentech Transaction Data generated from all of its Transactions via electronic data transmission according to Paymentech's formats and procedures throughout the term of this Agreement.

**1.2 Certain Payment Acceptance Policies and Prohibitions.**

(a) Each Transaction must be evidenced by its own Transaction Receipt completed in accordance with Payment Brand Rules.

(b) Merchant shall not require the Payor to pay the fees payable by Merchant under this Agreement.

(c) Merchant shall never issue Refunds for Transactions by cash or a cash equivalent (e.g., check) unless required by law or permitted by the Payment Brand Rules.

(d) Except to the extent prohibited by the Payment Brand Rules or applicable law, Merchant may request or encourage a Payor to use a Payment Card other than the Payment Card initially presented by the Payor.

(e) Except to the extent permitted by the Payment Brand Rules and applicable law, Merchant must not establish a minimum or maximum Transaction amount as a condition for honoring a Payment Card.

(f) Merchant shall examine each Payment Card physically presented at the point of sale to determine that the Payment Card presented is valid and has not expired. Merchant shall exercise reasonable diligence to determine that the authorized signature on any Payment Card physically presented at the point of sale corresponds to the Payor's signature on the Transaction Receipt. If the Payment Card is not signed by the Payor, Merchant must obtain additional Payor identification.

(g) With respect to any Transaction for which a Payor is not physically present at the point of sale, such as in any on-line, mail, telephone, pre-authorized or recurring Transaction, Merchant must (i) have notified Paymentech on its Application, or otherwise obtained Paymentech's prior written approval, of Merchant's intention to conduct such Transactions; and (ii) have appropriate procedures in place to ensure that each Transaction is made to a purchaser who actually is the Payor. Merchant acknowledges that under certain Payment Brand Rules, Merchant cannot rebut a Chargeback where the Payor disputes making the purchase and Merchant does not have an electronic record (e.g., "swiping" or "tapping" a Payment Card) or physical imprint of the Payment Card.

(h) Merchant agrees to accept all categories of Visa and MasterCard Payment Cards (i.e., debit and credit cards), unless Merchant has notified Paymentech on its Application or otherwise in writing of its election to accept one of the following "limited acceptance" options: (i) all Visa and MasterCard consumer credit cards and Visa and MasterCard commercial credit and debit cards; or (ii) Visa and MasterCard debit cards only (but no credit cards). Notwithstanding the election of one of the foregoing limited acceptance options, Merchant must honor all foreign bank-issued Visa or



## EXHIBIT A

MasterCard Payment Cards. If Merchant elects one of the limited acceptance categories: (Y) Merchant must display appropriate signage to indicate the limited acceptance category; and (Z) Paymentech, at its option, may process any Transactions submitted to Paymentech outside of the limited acceptance category, in which case such Transactions will be assessed the applicable interchange fees plus any additional fees/surcharges assessed by Paymentech or the Payment Brands.

(i) Merchant shall not split a single Transaction into two or more Transactions to avoid or circumvent authorization limits or monitoring programs.

(j) Merchant shall not accept Payment Cards for the purchase of scrip, as defined by the Payment Brand Rules.

(k) Merchant shall not require a Payor to complete a postcard or similar device that includes the Payor's Payment Card account number, expiration date, or any other account data in plain view when mailed.

(l) Except to the extent expressly permitted by law or the Payment Brand Rules, Merchant shall not add any tax or surcharge to Transactions. If any tax or surcharge amount is imposed, such amount shall be included in the Transaction amount and shall not be collected separately. Furthermore, Merchant must provide at least thirty (30) days prior notice to Paymentech and the Payment Brands of its intent to impose a surcharge. All of Merchant's surcharge practices must comply with applicable laws and Payment Brand Rules, including, but not limited to, those laws and Payment Brand Rules governing the amount of the surcharge, and Payor disclosures.

(m) Merchant shall not request or use a Payment Card account number for any purpose except as payment for its goods or services, unless required by the Payment Brand Rules in order to support specific services offered by the Payment Brands.

(n) At all times Merchant must prominently and clearly inform Payors of the identity of Merchant at all points of interaction so that the Payor can readily distinguish Merchant from any third party, such as a supplier of products or services to Merchant.

**1.3 Payment Brand Rules.** Merchant agrees to comply with (a) all Payment Brand Rules as may be applicable to Merchant and in effect from time to time; and (b) such other procedures as Paymentech may from time to time prescribe for the creation or transmission of Transaction Data.

**1.4 Requirements for Certain Transactions.** As to each Transaction submitted to Paymentech during the term of this Agreement, Merchant represents and warrants that:

(a) The Transaction Data (i) represents a payment for or Refund of a bona fide sale or lease of the goods, services, or both, which Merchant has provided in the ordinary course of its business, as represented in its Application; and (ii) is not submitted on behalf of a third party.

(b) The Transaction Data represents an obligation of the Payor for the amount of the Transaction.

(c) The Transaction is not for any purpose other than payment for the current Transaction, and, except to the extent permitted under the Payment Brand Rules, the Transaction does not represent the collection of a dishonored check or the collection or refinancing of an existing debt.

(d) At the time Merchant submits Transaction Data to Paymentech for processing: (i) Merchant has completed the Transaction with the Payor; (ii) the goods have been provided or shipped, or the services actually rendered to the Payor; and (iii) for recurring Transaction, Merchant has obtained the Payor's consent for the recurring Transaction. For approved prepayments, Merchant must advise the Payor (i) that payment is being made in advance of the shipment or provision of goods or services; and (ii) the time when shipment or provision of the goods or services is expected.

(e) The Transaction Data is free from any material alteration not authorized by the Payor.

(f) The amount charged for the Transaction is not subject to any dispute, setoff, or counterclaim.

(g) Merchant has not disbursed or advanced any cash to the Payor (except as authorized by the Payment Brand Rules) or itself or to any of its representatives, agents, or employees in connection with the Transaction, nor has Merchant accepted payment for effecting credits to a Payor.

(h) The goods or services related to each Transaction are Merchant's property or Merchant has the legal right to sell them.

(i) Merchant has made no representation or agreement for the issuance of Refunds except as stated in Merchant's Refund Policy, which has been previously submitted to Paymentech in writing as provided in Section 3, and which is available to the Payor.

(j) Any Transaction submitted to Paymentech to credit a Payor's account represents a Refund for a Transaction previously submitted to Paymentech.

(k) Merchant has not submitted any Transaction that Merchant knows, or should have known, to be fraudulent, illegal, damaging to the Payment Brand(s), not authorized by the Payor, unenforceable or uncollectible, or otherwise prepared or submitted in violation of any provision of this Agreement, applicable law, or Payment Brand Rules.

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## EXHIBIT A

### 1.5 Installment, Prepaid and Recurring Transactions.

(a) Unless specifically stated in its Application or otherwise approved in writing by Paymentech in advance, Merchant shall not accept Payment Cards in connection with installment plans. If the Payor pays in installments or on a deferred payment plan, as previously approved by Paymentech, a Transaction Data record has been prepared separately for each installment transaction or deferred payment on the dates the Payor agreed to be charged. All installments and deferred payments, whether or not they have been submitted to Paymentech for processing, shall be deemed to be a part of the original Transaction.

(b) For recurring Transactions, Merchant shall (i) obtain the Payor's consent to periodically charge the Payor on a recurring basis for the goods or services purchased; (ii) retain this permission for the duration of the recurring services and provide it upon request to Paymentech or the issuing bank of the Payor's Payment Card; and (iii) retain written documentation specifying the frequency of the recurring charge and the duration of time during which such charges may be made. Merchant shall not submit any recurring transaction after receiving: (iv) a cancellation notice from the Payor; or (v) notice from Paymentech or any Payment Brand (via authorization code or otherwise) that the Payment Card is not to be honored. Merchant shall include in its Transaction Data the electronic indicator that the Transaction is a recurring Transaction.

**1.6 Stored Value Card Transactions.** This Section 1.6 applies only if Merchant elects to accept Stored Value Cards from its Payors and submits such Stored Value Card Transactions to Paymentech for processing.

(a) Stored Value Cards are used by Merchant to issue spending credit to its Payors. Popular uses for Stored Value Cards include, but are not limited to, an electronic version of paper gift certificates, merchandise return cards, and prepaid cards. Merchant provides its Payor with a magnetic stripe card in exchange for money received, merchandise returned, or other consideration. The Stored Value Card represents a dollar value that the Merchant's Payor can either use or give to another individual. The actual record of the balance on the Stored Value Card is maintained by Paymentech. Upon acceptance of the Stored Value Card from a Payor, Merchant must immediately transmit the Stored Value Card information to Paymentech and the appropriate approval response will be routed to Merchant. Paymentech will provide Merchant with access to monthly reporting detailing Merchant's Stored Value Card Transactions and the outstanding balances on the individual Stored Value Cards. Merchant will have access to help desk support through Paymentech for its Stored Value Card Transactions. Payors will have access to an interactive voice response system ("IVR"), via a toll free number, through which they may receive some basic account and Stored Value Card balance information. Merchant's Stored Value Card program will be configured in a manner specified by Merchant to Paymentech during enrollment, which will represent binding program rules related to Merchant's Stored Value Card program.

(b) If Merchant elects to participate in Paymentech's "Now!" or "Advantage" Stored Value Card service, Merchant is obligated to purchase Stored Value Cards from Paymentech. Paymentech will arrange for the Stored Value Card production and may, at its option, invoice Merchant therefore, in lieu of electronically debiting the Settlement Account. Any such invoice will be payable upon receipt. Stored Value Cards, packaging, and point-of-purchase marketing materials are available and priced on a per bundle basis, based on current rates. These rates are captured on the Now! and Advantage enrollment/order form(s). All production and delivery timeframes and costs provided are estimates only and Paymentech does not guarantee any specific date of delivery or price for Stored Value Cards produced by third parties. Merchant is responsible for all production costs and delivery charges for Stored Value Cards. The form and content of all Stored Value Cards may be subject to Paymentech's approval.

(c) If Merchant elects to participate in Paymentech's "Custom" Stored Value Card service, Merchant is not obligated to purchase Stored Value Cards from Paymentech. If Merchant elects to purchase Stored Value Cards from Paymentech, Paymentech will arrange for the Stored Value Card production and may, at its option, invoice Merchant therefore, in lieu of electronically debiting Merchant's Settlement Account. Any such invoice will be payable upon receipt. All production and delivery timeframes and costs provided are estimates only and Paymentech does not guarantee any specific date of delivery or price for Stored Value Cards produced by third parties. Merchant is responsible for all production costs and delivery charges for Stored Value Cards. The form and content of all Stored Value Cards may be subject to Paymentech's approval.

(d) Merchant is solely responsible for:

- (i) complying with all applicable laws and regulations related to the acceptance of Stored Value Cards and Merchant's Stored Value Card program;
- (ii) ensuring that all Stored Value Cards require activation at the point of sale;
- (iii) any and all value adding and fraud losses;
- (iv) providing immediate written notification to Paymentech of any fraud losses;
- (v) deactivating or otherwise removing all value from Stored Value Cards that have been compromised; and

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## EXHIBIT A

- (vi) any fraudulent Transactions involving Merchant's Stored Value Cards, including, without limitation, the unauthorized activation of Stored Value Cards, reloading of existing Stored Value Cards (whether pursuant to a manual telephone order or otherwise) with additional value, or the unauthorized replication of Stored Value Cards or Stored Value Card data for fraudulent Transactions.

2. **AUTHORIZATIONS.** Merchant is required to obtain an authorization code through Paymentech, in accordance with this Agreement, for each Transaction. To the extent required by the Payment Brand Rules, each authorization request must include the Payment Card's expiration date. Merchant acknowledges that authorization of a Transaction indicates that the Payment Card (a) contains a valid account number; and (b) has an available credit balance sufficient for the amount of the Transaction; but, it does not constitute a representation from Paymentech, a Payment Brand, or Issuing Bank that a particular Transaction is in fact a valid or undisputed Transaction entered into by the actual Payor. Paymentech reserves the right to refuse to process any Transaction Data presented by Merchant unless it includes a proper authorization.

### 3. **REFUND AND ADJUSTMENT POLICIES AND PROCEDURES; PRIVACY POLICIES.**

3.1 **Refund Policy.** Merchant is required to maintain a Refund Policy and to disclose such Refund Policy to its Payors, prior to the completion of the Transaction at the point of sale. Merchant must also disclose its Refund Policy to Paymentech. Any material change to Merchant's Refund Policy must be submitted to Paymentech, in writing, not less than fourteen (14) days prior to the effective date of such change. Paymentech reserves the right to refuse to process any Transactions made subject to a revised Refund Policy of which Paymentech has not been notified in advance. To the extent that Merchant operates an electronic commerce website through which Transaction Data is generated, Merchant must include its Refund Policy on the website in accordance with Payment Brand Rules.

3.2 **Procedure for Refund Transactions.** If, under Merchant's Refund Policy, Merchant allows a Refund, Merchant shall prepare and deliver to Paymentech Transaction Data reflecting any such Refund within three (3) days of approving the Payor's request for such Refund. The amount of a Refund cannot exceed the amount shown as the total on the original Transaction Data except by the exact amount required to reimburse the Payor for shipping charges that the Payor paid to return merchandise. Merchant shall not accept any payment from a Payor as consideration for issuing a Refund. Merchant shall not give cash (or cash equivalent) refunds to a Payor in connection with a Transaction, unless required by law or permitted by the Payment Brand Rules.

3.3 **Payor Data Protection Policies.** To the extent that Merchant operates an electronic commerce website through which Transaction Data is generated, in addition to any requirements otherwise set forth in this Agreement, Merchant shall display the following on its website: (a) its name and the name that will appear on the Payor's Payment Card statement; (b) its customer data privacy policy; (c) a description of its security capabilities and policy for transmission of Payment Card Information; and (d) the address of Merchant's fixed place of business (regardless of website or server locations). Furthermore, Merchant must offer its Payors a data protection method such as 3-D Secure or Secure Sockets Layer (SSL).

### 4. **SETTLEMENT.**

4.1 **Submission of Transaction Data.** Failure to transmit Transaction Data to Paymentech within one (1) business day following the day that such Transaction originated could result in higher interchange fees and other costs, as well as increased Chargebacks. Unless Merchant has notified Paymentech on its Application or Paymentech has otherwise agreed in writing in advance, Merchant shall not submit Transactions for processing until (a) the Transaction is completed; (b) the goods are delivered or shipped; (c) the services are performed; or (d) Merchant has obtained the Payor's consent for a recurring Transaction. Paymentech may from time to time contact Payors to verify that they have received goods or services for which Transactions have been submitted. Paymentech reserves the right to refuse to process any Transaction Data presented by Merchant if Paymentech reasonably believes that the Transaction may be uncollectible from the Payor or was prepared in violation of any provision of this Agreement, applicable law, or the Payment Brand Rules. For all Transactions, Paymentech will submit Merchant's Transaction Data to the applicable Payment Brands.

4.2 **Merchant's Settlement Account.** In order to receive funds from Paymentech, Merchant must designate and maintain one or more accounts used primarily for business purposes at a bank that is a member of the Automated Clearing House system or the Federal Reserve wire system (collectively referred to as "Settlement Account"). During the Term of this Agreement, and thereafter until Paymentech notifies Merchant that all amounts due from Merchant under this Agreement have been paid in full, Merchant shall not close its Settlement Account without giving Paymentech at least five (5) days' prior written notice and substituting another Settlement Account. Merchant is solely liable for all

## EXHIBIT A

fees, costs, and overdrafts associated with the Settlement Account. Merchant authorizes Paymentech or its authorized agent(s) to initiate electronic credit and debit entries (via ACH, wire transfer, or other means) to the Settlement Account, or any other bank account designated by Merchant in writing, at any time without regard to the source of any monies therein, and this authority will remain in full force and effect until Paymentech notifies Merchant that all amounts due from Merchant under this Agreement have been paid in full. Paymentech will not be liable for any delays in receipt of funds or errors in Settlement Account entries caused by third parties, including, without limitation, delays or errors by the Payment Brands or Merchant's bank.

**4.3 Conveyed Transactions.** For Conveyed Transactions Merchant shall have a valid agreement in effect with the applicable Payment Brand. If Merchant submits Conveyed Transactions to Paymentech and Merchant does not have a valid agreement with the applicable Payment Brand, Paymentech may, but shall not be obligated to, submit such Transaction Data to the applicable Payment Brand and to share with them information about Merchant (from the Application or otherwise) as may be required to approve Merchant's acceptance of the Payment Brand's Payment Card. Payment of proceeds due Merchant for Conveyed Transactions shall be governed by the agreement Merchant has with the applicable Payment Brand, and Paymentech does not bear any responsibility for their performance thereunder, including, without limitation, the funding and settlement of Merchant's Conveyed Transactions.

**4.4 Transfer of Transaction Settlement Funds.** Subject to Section 4.3, for all Transactions, Paymentech will submit Merchant's Transaction Data to the applicable Payment Brand. Promptly after Paymentech receives funds for Settled Transactions from the Payment Brands, Paymentech will provisionally fund the Settlement Account. The proceeds payable to Merchant shall be equal to the amounts submitted by Merchant in connection with its Transaction Data minus the sum of the following: (a) all fees, charges, and other amounts described on Schedule A or that Merchant has otherwise agreed to pay; (b) all Refunds and Chargebacks; (c) all Reserve Account (as defined in Section 4.6) amounts; (d) all fees, charges, fines, assessments, penalties, or other liabilities that may be imposed on Paymentech or Member from time to time by the Payment Brands and all related costs and expenses incurred by Paymentech. Merchant agrees that all amounts are due and payable as provided in this Agreement. In the event Paymentech does not deduct such amounts from Merchant's proceeds when such amounts are due and payable, Merchant agrees to pay all such amounts to Paymentech immediately without any deduction or offset. Additionally, Paymentech may debit the Settlement Account or Merchant's Reserve Account for such amounts at any time. Furthermore, Merchant agrees to reimburse Paymentech, Member, the Payment Brands, and their respective affiliates, officers, directors, employees, agents, and sponsoring banks from any losses, liabilities, and damages of any and every kind (including, without limitation, Paymentech's costs, expenses, and reasonable attorneys' fees) arising out of any claim, complaint, or Chargeback (a) made or claimed by a Payor with respect to any Transaction or Transaction Data submitted by Merchant; (b) caused by Merchant's noncompliance with this Agreement or the Payment Brand Rules (including without limitation any breach of a representation or warranty made by Merchant or Merchant's failure to comply with the Security Standards); (c) resulting from any voluntary or involuntary bankruptcy or insolvency proceeding by or against Merchant; or (d) related to Merchant's placement or the placement of any person owning or controlling Merchant's business in one or more databases of terminated or high risk merchants maintained by the Payment Brands. The obligations provided for in this Section shall survive termination of this Agreement and do not apply to any claim or complaint to the extent they are caused by Paymentech's own negligence or willful misconduct.

**4.5 Negative Amounts.** Merchant shall maintain sufficient funds in the Settlement Account to prevent the occurrence of a negative balance. In the event that the proceeds from Merchant's Settled Transactions or the balance of Merchant's Settlement Account are not sufficient to pay amounts due under this Agreement, in addition to any other rights and remedies Paymentech may have under this Agreement, Paymentech may pursue one or more of the following options:

- (a) demand and receive immediate payment for such amounts, and if payment is not made within three (3) days of demand, debit the Settlement Account for the negative amount;
- (b) withhold all or some of Merchant's Settlement funds and apply them against the negative amount; and
- (c) apply funds held in the Reserve Account against the negative amount.

Furthermore, if the amount represented by Merchant's Transaction Data in any day is negative due to Refunds or credits being submitted by Merchant in excess of its proceeds from Transactions, Merchant shall immediately provide Paymentech with sufficient funds to prevent the occurrence of a negative balance.

**Reserve Account. If:**

- (a) there is a material breach of the Agreement by Merchant;
- (b) Merchant is receiving excessive Chargebacks (as defined in Section 7.2 below);
- (c) Paymentech has reasonable grounds to believe that it may be or become liable to third parties for the provisional



## EXHIBIT A

funds extended to Merchant; or

(d) Paymentech has reasonable grounds to believe that it may be subject to any additional liabilities arising out of or relating to this Agreement, including, without limitation, any fines, fees, or penalties assessed against Paymentech or Member by any of the Payment Brands arising out of or relating to Merchant's Transactions, Chargebacks, or failure to comply with the Payment Brand Rules or the Security Standards;

then each such event may subject Paymentech to additional risk (such risk being hereinafter referred to as "Anticipated Risk"). In any such event, Paymentech may temporarily suspend or delay payments to Merchant during Paymentech's investigation of the issue and/or designate an amount of funds that Paymentech must maintain in order to protect itself against Anticipated Risks (such funds being hereinafter referred to as the "Reserve Account"), which may be funded in the same manner as provided for negative balances in Section 4.5. The Reserve Account will contain sufficient funds to cover any unbilled processing costs plus Paymentech's estimated exposure based on reasonable criteria for Chargebacks and all additional Anticipated Risks. Paymentech may (but is not required to) apply funds in the Reserve Account toward, and set off any funds that would otherwise be payable to Merchant against, the satisfaction of any amounts which are or may become due from Merchant pursuant to this Agreement. Funds in the Reserve Account will be held and controlled by Paymentech, will not bear interest, and may be commingled with other funds. Effective upon Paymentech's establishment of a Reserve Account, Merchant irrevocably grants to Paymentech a security interest in any interest Merchant may now have or later acquire in any and all funds, together with the proceeds thereof, that may at any time be in the Reserve Account and that would otherwise be payable to Merchant pursuant to the terms of this Agreement. Merchant agrees to execute and deliver to Paymentech such instruments and documents that Paymentech may reasonably request to perfect and confirm the security interest in the Reserve Account funds. Upon (i) satisfaction of all of Merchant's obligations under this Agreement; and (ii) Merchant's execution of documents reasonably requested by Paymentech in connection with the return of any Reserve Account funds, Paymentech will pay to Merchant any funds then remaining in the Reserve Account.

5. **ACCOUNTING.** Paymentech will supply a detailed statement reflecting the activity of Merchant's account(s) by online access (or otherwise if agreed to by both parties) and Merchant shall ensure that any online access to such statements is secure. If Merchant believes any adjustments should be made with respect to Merchant's Settlement Account, Merchant must notify Paymentech in writing within ninety (90) days after any such adjustment is or should have been effected.

6. **RETRIEVAL REQUESTS.** In order to comply with Retrieval Requests, Merchant shall store and retain Transaction Data and Transaction Receipts in compliance with the Payment Brand Rules, including any time frames set forth therein. Within the timeframe indicated in the Retrieval Request or otherwise provided for in the Payment Brand Rules, but in no event more than twenty one (21) days from the date the Retrieval Request is initiated with the Issuing Bank, Merchant must, to the extent required by the Payment Brand Rules or the Retrieval Request itself, provide to Paymentech, via certified or overnight mail, confirmed fax, or upload to Paymentech's Online Chargeback Management System: (a) written resolution of Merchant's investigation of such Retrieval Request; (b) legible copies of valid Transaction Receipt(s); and (c) any additional supporting documentation. Merchant acknowledges that failure to fulfill a Retrieval Request timely and in accordance with Payment Brand Rules may result in an irreversible Chargeback.

### 7. **CHARGEBACKS.**

7.1 **Chargeback Reasons.** Merchant shall not require a Payor, as a condition for honoring a Payment Card, to sign a statement that waives the Payor's right to dispute the Transaction. Furthermore, Merchant has full liability for all Chargebacks. Following are some of the most common reasons for Chargebacks:

- (a) Merchant fails to issue a Refund to a Payor upon the return or non-delivery of goods or services;
- (b) A required authorization/approval code was not obtained;
- (c) The Payor claims that the Payment Card is lost, stolen, counterfeit, or fraudulent;
- (d) The Transaction or Transaction Data was prepared incorrectly or fraudulently;
- (e) Paymentech did not receive Merchant's response to a Retrieval Request in accordance with Section 6;
- (f) The Payor disputes the Transaction or the authenticity of the signature on the Transaction Receipt, or claims that the Transaction is subject to a set-off, defense, or counterclaim;
- (g) The Payor refuses to make payment for a Transaction because, in the Payor's opinion, a claim or complaint has not been resolved or has been resolved in an unsatisfactory manner; or
- (h) The credit or debit card comprising the Payment Card was not actually presented at the time of the Transaction or Merchant failed to obtain an electronic record or physical imprint of such Payment Card, and the Payor denies making

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the purchase.

**7.2 Response to Chargebacks.** If Merchant has reason to dispute or respond to a Chargeback, then Merchant must do so by the date provided on the applicable Chargeback notice. Paymentech will not investigate or attempt to obtain a reversal or other adjustment to any Chargeback if Merchant has not timely responded to the notice.

**7.3 Excessive Chargebacks.** If Merchant is receiving an excessive amount of Chargebacks, as determined by the Payment Brands from time to time, in addition to Paymentech's other remedies under this Agreement, Paymentech may take one or more of the following actions: (a) review Merchant's internal procedures relating to acceptance of Payment Cards and notify Merchant of new procedures Merchant should adopt in order to avoid future Chargebacks; (b) notify Merchant of a new rate Paymentech will charge to process Merchant's Chargebacks; or (c) to the extent applicable, require Merchant to replace any magnetic-strip-only point of interaction terminal or electronic cash register with an EMV chip-capable terminal; or (d) establish a Reserve Account. Merchant also agrees to pay any and all penalties, fees, fines, and costs assessed against Merchant, Paymentech, and/or Member relating to Merchant's violation of this Agreement or the Payment Brand Rules with respect to Merchant's acceptance of Payment Cards, its Transactions, or with respect to excessive Chargebacks under this Section.

**7.4 Claims of Payors.** Following a Chargeback, Merchant may resubmit applicable Transaction Data for a second presentment, but only in accordance with Payment Brand Rules. To the extent Paymentech has paid or may be called upon to pay a Chargeback or Refund for or on the account of a Payor and Merchant does not reimburse Paymentech as provided in this Agreement, then for the purpose of Paymentech obtaining reimbursement of such sums paid or anticipated to be paid, Paymentech has all of the rights and remedies of such Payor under applicable federal, state, or local laws and Merchant authorizes Paymentech to assert any and all such claims in its own name for and on behalf of any such Payor individually or all such Payors as a class.

**8. DISPLAY OF PAYMENT BRAND MARKS.** Merchant is prohibited from using the Payment Brand Marks, as defined below (sometimes referred to herein as "Marks"), other than as expressly authorized by Paymentech in writing or by the Payment Brands. Payment Brand Marks mean the brands, emblems, trademarks and/or logos that identify a Payment Brand. Additionally, Merchant shall not use the Payment Brand Marks other than to display decals, signage, advertising, and other forms depicting the Payment Brand Marks that are provided to Merchant (a) by the Payment Brands; (b) by Paymentech pursuant to this Agreement; or (c) as otherwise approved in writing by Paymentech. Merchant may use the Payment Brand Marks only to promote the services covered by the Marks by using them on decals, indoor and outdoor signs, advertising materials, and marketing materials; provided, that all such uses by Merchant must be approved by Paymentech and consistent with Payment Brand Rules. Merchant shall not use the Payment Brand Marks in any way that Payors could believe that the goods or services offered by Merchant are sponsored, endorsed, or guaranteed by the owners of the Payment Brand Marks. Merchant recognizes that it has no ownership rights in the Payment Brand Marks. Merchant shall not assign the rights to use the Payment Brand Marks to any third party. Merchant's right to use the Payment Brand Marks hereunder terminates with the termination of this Agreement.

## **9. FEES; ADJUSTMENTS.**

**9.1 Schedule A.** Merchant shall pay all applicable fees for all Transactions, which shall be calculated and payable pursuant to this Agreement. Merchant acknowledges that the fees stated in Schedule A are based upon the assumption that Merchant's Transactions will qualify for certain interchange rates as determined in each case by the applicable Payment Brand. If any of Merchant's Transactions fail to qualify for such interchange rates, Paymentech shall process each such Transaction at the applicable interchange rate determined by the applicable Payment Brand. Unless otherwise indicated on Schedule A, Merchant shall be solely responsible for all communication expenses required to facilitate the transmission of all Transaction Data to Paymentech. Fees payable under this Agreement that contain a fraction of a cent will be rounded up to the next full cent.

**9.2 Price Adjustments.** Unless otherwise agreed to by the parties or expressly provided for herein, the fees set forth on Schedule A shall not change during the Initial Term. Notwithstanding the foregoing, the fees set forth on Schedule A and any additional pricing supplements may be adjusted to reflect increases by Payment Brands in interchange, assessments, or other Payment Brand fees, additional fees imposed by the Payment Brands, or increases in third party fees identified in this Agreement. Merchant shall pay all such fees, as so adjusted. Each such adjustment shall become effective upon the date the corresponding increase or additional fee is implemented by the Payment Brand or third party provider.



## EXHIBIT A

### 10. TERMINATION.

**10.1 Term.** This Agreement takes effect on the date executed by both parties and continues for 36 months from such date. It may be extended thereafter for up to two 24 month extension options. Either party may give notice of non-renewal of this Agreement in writing no more than 90 days and no less than 30 days prior to any expiration date.

**10.2 Events of Default.** If any of the following events shall occur (each an "Event of Default"):

- (a) any transfer or assignment in violation of Section 15.4 of this Agreement;
- (b) irregular Transactions by Merchant, excessive Chargebacks, or any other circumstances which, in Paymentech's discretion, may increase Paymentech's or Member's exposure for Merchant's Chargebacks or otherwise present an Anticipated Risk to Paymentech;
- (c) any representation or warranty in this Agreement is breached in any material respect or was or is incorrect in any material respect when made or deemed to be made;
- (d) Merchant fails in any material respect to perform any of its obligations with respect to the funding or establishing of a Reserve Account, as detailed in Section 4.6;
- (e) material breach of Section 1.1;
- (f) Merchant fails in any material respect in performance or observance of any term, covenant, condition, or agreement contained in this Agreement, including, without limitation, compliance with Payment Brand Rules and Security Standards;
- (g) a case or other proceeding shall be commenced by or against Merchant in any court of competent jurisdiction seeking relief under the Bankruptcy Code or under any other laws, domestic or foreign, relating to bankruptcy, insolvency, reorganization, winding up, or adjustment of debts, the appointment of a trustee, receiver, custodian, liquidator, or the like of Merchant, or of all or any substantial part of the assets, domestic or foreign, of Merchant, and such case or proceeding shall continue undismissed or unstayed for a period of sixty (60) consecutive days, or an order granting the relief requested in such case or proceeding against Merchant (including, without limitation, an order for relief under the Bankruptcy Code) shall be entered;
- (h) Paymentech, in its sole reasonable discretion, deems Merchant to be financially insecure;
- (i) any Payment Brand (i) notifies Paymentech or Member that it is no longer willing to accept Merchant's Transaction Data; or (ii) requires Paymentech or Member to terminate or limit this Agreement or Merchant's ability to accept Payment Cards from Payors;
- (j) Merchant or any person owning or controlling Merchant's business is listed in one or more databases of terminated or high risk merchants maintained by the Payment Brands;
- (k) Merchant engages in conduct that (i) causes Paymentech or Member to violate the Payment Brand Rules or applicable law; (ii) results in Paymentech's, Member's, or Merchant's participation in a risk-based program under the Payment Brand Rules; or (iii) creates or could tend to create harm or loss to the goodwill of any Payment Brand, Paymentech, or Member;
- (l) for a period of more than sixty (60) consecutive days, Merchant does not transmit Transaction Data to Paymentech;
- (m) Merchant fails to comply with Section 15.15; or
- (n) Paymentech's Transaction processing services under this Agreement fail to conform to generally accepted standards for such services in the Transaction processing industry.

then, the non-defaulting party may terminate this Agreement by providing the defaulting party with written notice of termination. Following receipt of such notice, and solely for termination based on subsections (c), (f) and (n), the defaulting party shall have thirty (30) days to cure the Event of Default, and the Agreement shall terminate in the event such cure is not effected by the end of such period. No cure period shall be provided when termination is based any other Event of Default.

If this Agreement is terminated by Paymentech for Merchant's default hereunder, Merchant acknowledges that Paymentech may be required to report Merchant's business name and the names and other identification of its principals to the Payment Brands. Merchant expressly agrees and consents to such reporting in the event Merchant is terminated for any reason specified, and Merchant agrees to waive and hold Paymentech harmless from and against any and all claims which Merchant may have as a result of such reporting.

**10.3 Other Events.** In addition to the remedies above and any rights Paymentech may have under this Agreement, Paymentech may suspend the processing of some or all of Merchant's Transactions upon: (a) an occurrence of an Event of Default by Merchant; (b) receipt by Paymentech of notice that a Payment Brand intends to impose any fine or penalty as a result of excessive Chargebacks or Merchant's acts or omissions; or (c) receipt by Paymentech of objections or concerns expressed by a Payment Brand which render Paymentech's continued processing of Merchant's Transactions unduly burdensome, impractical, or risky.

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## EXHIBIT A

**10.4 Account Activity After Termination; Termination Reserve.** The provisions governing processing and settlement of Transactions, all related adjustments, fees and other amounts due from Merchant, and the resolution of any related Chargebacks, disputes, or other issues involving Transactions, will continue to apply even after termination of this Agreement, with respect to all Transactions made prior to such termination or after such termination, as described below. After termination of this Agreement for any reason whatsoever, Merchant shall continue to bear total responsibility for all Chargebacks, fees, fines, assessments, credits, and adjustments resulting from Transactions processed pursuant to this Agreement and all other amounts then due or which thereafter may become due to Paymentech under this Agreement or which may be due to Paymentech before or after such termination to either Paymentech or Member. If Merchant submits Transaction Data to Paymentech after the date of termination, Paymentech may, at its sole discretion and without waiving any of its rights or remedies, under this Agreement, process such Transaction Data in accordance with and subject to all of the terms of this Agreement.

Upon notice of termination of this Agreement, Paymentech may estimate the aggregate dollar amount of anticipated Chargebacks, Refunds and Anticipated Risks that Paymentech reasonably anticipates subsequent to termination, and Merchant agrees to immediately deposit such amount in its Settlement Account, or Paymentech may withhold such amount from Merchant's settlement funds in order to establish a Reserve Account pursuant to and governed by the terms and conditions of this Agreement.

**11. INDEMNIFICATION.** Paymentech agrees to indemnify Merchant and its affiliates, officers, directors, employees, and agents from any losses, liabilities, and damages of any and every kind (including, without limitation, Merchant's costs, expenses, and reasonable attorneys' fees) arising out of any Chargeback or third party claim or complaint (a) made with respect to any error in Transaction Data caused by Paymentech or by malfunctions of Paymentech's processing systems; (b) caused by Paymentech's noncompliance with this Agreement, the Payment Brand Rules, or the Security Standards; or (c) resulting from any voluntary or involuntary bankruptcy or insolvency proceeding by or against Paymentech. This indemnification does not apply to any claim or complaint relating to Merchant's failure to resolve a payment dispute concerning merchandise or services sold by Merchant or Merchant's negligence or willful misconduct. The indemnification provided under this Section 11 shall survive termination and is subject to the limitation of liability set forth in Section 14 of this Agreement.

## **12. TRANSACTION DATA AND PAYMENT CARD INFORMATION; PAYMENT CARD INDUSTRY COMPLIANCE.**

**12.1** Merchant financial information, information related to Merchant's Transactions, and other information that Merchant provides to Paymentech may be shared by Paymentech with its affiliates and the Payment Brands. Paymentech will not otherwise disclose or use such information other than (a) as necessary to process Merchant's Transactions or otherwise provide services and maintain Merchant's account pursuant to this Agreement; (b) to detect, prevent, reduce, or otherwise address fraud, security, or technical issues; (c) to enhance or improve Paymentech's products and services generally; or (d) as required or permitted by the Payment Brands or applicable law. Paymentech may prepare, use, and/or share with third parties, aggregated, non-personally identifiable information derived from Transaction Data of all of Paymentech's customers or specific segments of Paymentech's customers.

**12.2 Payment Card Industry Compliance.** Merchant acknowledges and understands the importance of compliance with the Security Standards, such as those relating to the storage and disclosure of Transaction Data and Payment Card Information. Therefore, Merchant shall not disclose or use Payment Card Information, other than (a) to Merchant's agents and contractors for the purpose of assisting Merchant in completing a Transaction; (b) to the applicable Payment Brand; or (c) as specifically required by law or pursuant to a government or regulatory demand. Furthermore, Merchant acknowledges and understands that its use of any fraud mitigation or security enhancement solution (e.g. an encryption product or service), whether provided to Merchant by Paymentech or a third party, in no way limits Merchant's obligation to comply with the Security Standards or Merchant's liabilities set forth in this Agreement.

Merchant is allowed by the Payment Brand Rules to store only certain Payment Card Information (currently limited to the Payor's name, Payment Card account number, and expiration date) and is prohibited from storing additional Payment Card Information, including, without limitation, any security code data, such as CVV2, CVC2, and PIN data, and any magnetic stripe track data. Merchant shall store all media containing Payment Card Information in an unreadable format wherever it is stored and in an area limited to selected personnel on a "need to know" basis only. Prior to either party discarding any material containing Payment Card Information, the party will render the account numbers unreadable in accordance with the requirements of the Security Standards. If at any time Merchant determines or suspects that Payment Card Information has been compromised Merchant must notify Paymentech immediately and assist in providing notification to such parties as may be required by law or Payment Brand Rules, or as Paymentech otherwise reasonably deems necessary.



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Merchant agrees to comply with all Security Standards, as defined in Section 17. Merchant further agrees to provide Paymentech, upon its request, with such tests, scans, and assessments of Merchant's compliance with Security Standards as may from time to time be required by the Payment Brands.

Merchant must immediately notify Paymentech of its use of any Service Provider. Merchant shall ensure that, to the extent required by each Payment Brand, its Service Providers are (d) compliant with all applicable Security Standards; and (e) appropriately registered with, or otherwise recognized as being compliant with the Security Standards, by all applicable Payment Brands. To the extent required by each Payment Brand, all Payment Applications, or software involved in processing, storing, receiving, or transmitting of Payment Card Information, shall be (f) compliant with all Security Standards applicable to such Payment Applications or software; and (g) registered with and/or recognized by such Payment Brand(s) as being so compliant. Furthermore, to the extent Merchant is required under the Payment Brand Rules, or Merchant otherwise elects, to utilize EMV chip-capable terminals, all EMV chip-capable terminals used by Merchant must appear on the EMV co-approved terminal list maintained by the Payment Brands.

Merchant understands that its failure, or the failure of any of its Service Providers, to comply with the Payment Brand Rules, including the Security Standards, or the compromise of any of Payment Card Information (whether such Payment Card Information is under the control of Merchant or its Service Provider), may result in assessments, fines, and/or penalties by the Payment Brands, and Merchant agrees to reimburse Paymentech immediately for any such assessment, fine, or penalty imposed on Paymentech or the Member and any related loss, cost, or expense incurred by Paymentech or the Member. If any Payment Brand requires a forensic examination of Merchant or any of Merchant's Service Providers due to a Data Compromise Event, Merchant agrees to cooperate with, and cause all applicable Service Providers to cooperate with, such forensic examination until it is completed, including, without limitation, the engagement of an examiner acceptable to the relevant Payment Brand. Notwithstanding the foregoing, the Payment Brands may (h) directly engage, or demand that Paymentech engage, an examiner on behalf of the Merchant in order to expedite the investigation of the Data Compromise Event; or (i) pursuant to the Payment Brand Rules, permit Paymentech to investigate the Data Compromise Event. In either scenario, Merchant agrees to pay for all costs and expenses related to such forensic examination, including all of Paymentech's reasonable attorneys' fees and other costs relating to such forensic examination.

By executing this Agreement, Merchant represents that, in the event of its failure, including bankruptcy, insolvency, or other suspension of business operations, Merchant shall not sell, transfer, or disclose to third parties any materials that contain Transaction Data or Payment Card Information. Upon request, Merchant must return such information to Paymentech or provide Paymentech with acceptable proof of its destruction.

### **13. INFORMATION ABOUT MERCHANT AND MERCHANT'S BUSINESS.**

**13.1 Additional Financial Information.** Upon five (5) days' written notice at any time, Merchant agrees to furnish to Paymentech (a) its most recently prepared financial statements and credit information; and (b) if applicable, its three most recent filings with the SEC.

**13.2 Audit Rights.** With prior notice and during Merchant's normal business hours, Paymentech's duly authorized representatives may visit Merchant's business premises and may examine Merchant's books and records that pertain to Merchant's Transactions or Merchant's compliance with this Agreement.

**13.3 Other Information.** Merchant agrees to provide Paymentech at least thirty (30) days' prior written notice of its intent to change current product lines or services, Merchant's trade name, or the manner in which Merchant accepts Payment Cards. If Paymentech determines such a change is material to its relationship with Merchant, Paymentech may refuse to process Transaction Data made subsequent to the change or terminate this Agreement. Merchant agrees to provide Paymentech with prompt written notice if Merchant is the subject of any voluntary or involuntary bankruptcy or insolvency petition or proceeding. Merchant's signature on this Agreement authorizes Paymentech to perform any credit check deemed necessary with respect to Merchant.

**14. DISCLAIMER; LIMITATION OF DAMAGES.** Subject to Section 5, Paymentech will, at its own expense, correct any Transaction Data to the extent that such errors have been caused by Paymentech or by malfunctions of Paymentech's processing systems. Under no circumstances will Paymentech's financial liability arising out of or related to its performance of services under this Agreement exceed the total fees paid to Paymentech under this Agreement (net of Payment Brand fees, third party fees, interchange, assessments, penalties, and fines) for the six months prior to the time the liability arose. **EXCEPT AS OTHERWISE PROVIDED FOR IN THIS AGREEMENT, IN NO EVENT WILL ANY PARTY, ITS RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES, OR AFFILIATES, BE LIABLE**

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FOR SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES, REGARDLESS OF THE FORM OF ACTION AND EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. ANY FINES, FEES, PENALTIES OR ASSESSMENTS IMPOSED BY THE PAYMENT BRANDS RELATED TO MERCHANT'S ACCEPTANCE OF PAYMENT CARDS SHALL NOT BE DEEMED TO BE CONSEQUENTIAL DAMAGES. NEITHER PAYMENTECH NOR MEMBER SHALL BE LIABLE OR RESPONSIBLE FOR THE AUTHENTICITY, ACCURACY, CORRUPTION, DISAPPEARANCE, THEFT OF, DAMAGE TO, OR TAMPERING WITH ANY DATA, INCLUDING, WITHOUT LIMITATION, TRANSACTION DATA, TRANSMITTED IN ANY FORM OR FORMAT TO PAYMENTECH BY OR ON BEHALF OF MERCHANT, AND PAYMENTECH AND MEMBER SHALL BE ENTITLED TO RELY ON DATA IT RECEIVES FROM OR ON BEHALF OF MERCHANT IN THE DISCHARGE BY PAYMENTECH AND MEMBER OF ITS OBLIGATIONS HEREUNDER. ALL PARTIES ACKNOWLEDGE THAT THIS IS AN AGREEMENT FOR COMMERCIAL SERVICES. THE UNIFORM COMMERCIAL CODE DOES NOT APPLY AND PAYMENTECH AND MEMBER HEREBY DISCLAIM ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, MADE TO MERCHANT OR ANY OTHER PERSON, REGARDING QUALITY, SUITABILITY, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR OTHERWISE (REGARDLESS OF ANY COURSE OF DEALING, CUSTOM, OR USAGE OF TRADE) OF ANY SERVICES PROVIDED UNDER THIS AGREEMENT OR ANY GOODS PROVIDED INCIDENTAL TO SUCH SERVICES.

### 15. MISCELLANEOUS.

**15.1 Taxes.** Unless Merchant is otherwise exempt, and, if applicable, provides a valid exemption certificate, Merchant agrees to pay any taxes imposed on the services, equipment, supplies, and other property provided under this Agreement, and Merchant authorizes Paymentech to increase the amount collected from Merchant to reflect any and all assessments or increases in the sales, use, occupational, property, lease, or other taxes imposed on such sale or lease of services, tangible property, intellectual property, equipment, supplies, and other goods purchased.

**15.2 Section Headings.** The section headings of this Agreement are for convenience only and do not define, limit, or describe the scope or intent of this Agreement.

### 15.3 Assignment.

(a) **Merchant.** Merchant may not transfer or assign this Agreement without the prior written consent of Paymentech. Any purported transfer or assignment of this Agreement by Merchant (including by operation of law, merger, or otherwise) without Paymentech's prior written consent shall be, in Paymentech's sole discretion, null and void and Merchant shall remain bound by the terms and conditions of this Agreement and shall be fully responsible for all Transactions submitted by the purported assignee/transferee, and for all related liabilities arising therefrom. In the case of a permitted transfer or assignment of this Agreement by Merchant, the assignee/transferee shall, as of the effective date of the assignment or transfer, be bound by the terms and conditions of this Agreement and shall be fully responsible for all Transactions submitted and for all related liabilities arising therefrom. No assignee for the benefit of creditors, custodian, receiver, trustee in bankruptcy, debtor in possession, sheriff or any other officer of a court, or other person charged with taking custody of Merchant's assets or business, shall have any right to continue or to assume or to assign this Agreement without Paymentech's prior written consent. Merchant agrees to provide Paymentech with not less than thirty (30) days prior written notice of: (i) any sale of all or substantially all of the assets of Merchant; or (ii) any person or entity becoming the beneficial owner, directly or indirectly, of securities representing more than fifty percent (50%) of the combined voting power of Merchant's securities, or otherwise acquires voting control of Merchant.

(b) **Paymentech; Member.** Upon notice to Merchant, another Payment Brand member may be substituted for Member under whose sponsorship this Agreement is performed and for whom Paymentech is acting as agent hereunder. Subject to Payment Brand Rules, Paymentech may assign or transfer this Agreement and its rights and obligations hereunder and may delegate its duties hereunder, in whole or in part, to any third party, whether in connection with a change in sponsorship, as set forth in the preceding sentence, or otherwise, without notice to or consent of Merchant.

**15.4 Parties; Independent Contractor.** This Agreement is binding upon and inures to the benefit of the parties and their respective heirs, administrators, representatives, and permitted successors and assigns. Merchant agrees that it is responsible for its employees' actions. In providing services to Merchant, Paymentech will not be acting in the capacity of agent, partner, or joint venturer; Paymentech is acting solely as an independent contractor.

**15.5 Representations.** The parties shall perform their obligations under this Agreement in compliance with all applicable laws. Merchant represents and warrants that statements made on its Application are true as of the date of this Agreement. Paymentech represents and warrants that its execution of and performance under this Agreement (a) in no way breaches,

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contravenes, violates, or in any manner conflicts with any of its other legal obligations, including, without limitation, its corporate charter or similar document or any agreement between Paymentech and any third party or any affiliated entity; (b) has been duly authorized by all necessary action and does not require any consent or other action by or in respect of any third party; and (c) that the person signing this Agreement on behalf of Paymentech is duly authorized to do so. Merchant represents and warrants that its execution of and performance under this Agreement (d) in no way breaches, contravenes, violates, or in any manner conflicts with any of its other legal obligations, including, without limitation, its corporate charter or similar document or any agreement between Merchant and any third party or any affiliated entity; (e) has been duly authorized by all necessary action and does not require any consent or other action by or in respect of any third party; and (f) that the person signing this Agreement on behalf of Merchant is duly authorized to do so. Furthermore, if Merchant is undergoing a forensic investigation at the time this Agreement is executed, Merchant represents and warrants that it is fully cooperating with the investigation and agrees to continue so cooperating until the investigation is completed.

**15.6 Publicity.** Unless required by law, neither Paymentech nor Merchant may publicly disclose, through press releases or otherwise, the existence of the business relationship that is the subject of this Agreement, without the prior written consent of the non-disclosing party.

**15.7 Severability.** Should any provision of this Agreement be determined to be invalid or unenforceable under any law, rule, or regulation, including any Payment Brand Rule, such determination will not affect the validity or enforceability of any other provision of this Agreement.

**15.8 Waivers.** No term or condition of this Agreement may be waived except pursuant to a written waiver executed by the party against whom such waiver is sought to be enforced.

**15.9 Entire Agreement.** The Payment Brand Rules, Application, taxpayer identification and certification documentation, and all schedules, supplements, and attachments to this Agreement are made a part of this Agreement for all purposes. This Agreement represents the entire understanding between Merchant and Paymentech with respect to the matters contained herein and supersedes any prior agreements between the parties. Merchant agrees that in entering into this Agreement it has not relied on any statement of Paymentech or its representatives. This Agreement shall prevail over any conflicting terms of any agreement governing the Settlement Account. In the event that any of the terms and conditions of this Agreement contradicts or conflict with the terms and conditions of Merchant's previously submitted Request for Proposal ("RFP") or Paymentech's subsequent response to Merchant's RFP, the terms and conditions of this Agreement shall control.

**15.10 Notices.** Except as otherwise provided in this Agreement, all notices must be given in writing and either hand delivered, faxed, mailed first class, postage prepaid, sent via electronic mail transmission, or sent via overnight courier (and will be deemed to be given when so delivered or mailed) to the addresses set forth below or to such other address as either party may from time to time specify to the other party in writing.

**15.11 Governing Law; Waiver of Right to Contest Jurisdiction; Waiver of Jury Trial.** UNLESS OTHERWISE MANDATED BY APPLICABLE LAW, THIS AGREEMENT WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS WITHOUT REFERENCE TO CONFLICT OF LAW PROVISIONS. THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVE ANY RIGHTS EITHER OF THEM MAY HAVE TO CONTEST JURISDICTION OR VENUE. THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVE ANY RIGHTS EITHER OF THEM MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED ON, ARISING OUT OF, OR IN CONNECTION WITH THIS AGREEMENT.

**15.12 Force Majeure.** Neither party will be liable for delays in processing or other nonperformance caused by such events as fires, telecommunications failures, utility failures, power failures, equipment failures, labor strife, riots, war, terrorist attack, nonperformance of Paymentech's vendors or suppliers, acts of God, or other causes over which the respective party has no reasonable control, except that nothing in this Section 15.12 will affect or excuse Merchant's liabilities and obligations for Chargebacks, refunds, or unfulfilled goods and services.

**15.13 Amendment.** Except as otherwise set forth in this Agreement, the Agreement may be amended only by written agreement of the parties. Notwithstanding the foregoing, in the event the terms of this Agreement must be amended pursuant to a change required by the Payment Brand Rules or any third party with jurisdiction over the matters described herein, such amendment will be effective immediately. Merchant's electronic signature or continued submission of Transactions to Paymentech following such notice will be deemed to be Merchant's acceptance of such amendment.

**15.14 Counterparts and Electronic Signature.** This Agreement may be executed in several counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. A signature

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received via facsimile or electronically via email shall be as legally binding for all purposes as an original signature.

**15.15 Merchant Taxpayer Certification and Paymentech Reporting Obligations.** Pursuant to 26 USC 6050W, Paymentech is a "payment settlement entity", obligated to collect and report certain taxpayer information to the United States Internal Revenue Service. Therefore, in conjunction with the execution of this Agreement, Merchant shall provide Paymentech with the appropriate taxpayer certification documentation, via Internal Revenue Service (IRS) Form W-9 (or the appropriate versions of Form W-8, if applicable). Merchant shall promptly notify Paymentech if there are any changes in this information. Paymentech may deduct withholding taxes, if any, from proceeds payable to Merchant or any entity that is a party to this agreement where required under applicable law. Paymentech may, in accordance with applicable law and from time to time during the Term of this Agreement, request Merchant to recertify its taxpayer certification hereunder. Furthermore, Merchant shall be responsible for any penalties related to the reporting obligations of Paymentech hereunder to the extent such penalties accrue based on the actions or inactions of Merchant despite reasonable notice from Paymentech.

**16. SURVIVAL.** The provisions of Sections 1.6, 4.2, 4.4, 4.5, 4.6, 5, 6, 7, 9, 10.2, 10.4, 11, 12, 14, 15, 16 and 17 shall survive the termination of this Agreement.

### 17. DEFINITIONS.

**"Application"** means a statement of Merchant's financial condition, a description of the characteristics of Merchant's business or organization, and related information Merchant has previously or concurrently submitted to Paymentech, including credit, financial and other business related information, to induce Paymentech to enter into this Agreement with Merchant and that has induced Paymentech to process Merchant's Transactions under the terms and conditions of this Agreement.

**"Chargeback"** means a reversal of a Transaction Merchant previously presented to Paymentech pursuant to Payment Brand Rules.

**"Conveyed Transaction"** means any Transaction conveyed to a Payment Brand for settlement by such Payment Brand directly to Merchant.

**"Payor" or "Customer"** means the person or entity to whom a Payment Card is issued or who is otherwise authorized to use the Payment Card.

**"Data Compromise Event"** means an occurrence that results, or could result, directly or indirectly, in the unauthorized access to or disclosure of Transaction Data and/or Payment Card Information.

**"Effective Date"** means the date the Agreement takes effect pursuant to Section 10.1.

**"EMV"** means Europay, MasterCard and Visa.

**"Issuing Bank"** means the financial institution or other member of a Payment Brand that has a contractual relationship with the Payor for the issuance of a Payment Card.

**"Merchant"** means the legal entity identified in the Application and on the first and signature pages of this Agreement.

**"Member"** means JPMorgan Chase Bank, N.A. or other entity providing sponsorship to Paymentech as required by all applicable Payment Brands. Member is a principal party to this Agreement and Merchant's acceptance of Payment Brand products is extended by the Member.

**"Payment Application"** means a third party application used by merchant that is involved in the authorization or settlement of Transaction Data.

**"Payment Brand"** means any payment method provider whose payment method is accepted by Paymentech for processing, including, without limitation, Visa Inc., MasterCard International, Inc., Discover Financial Services, LLC, and other credit and debit card providers, debit network providers, gift card, and other stored value and loyalty program providers. Payment Brand also includes the Payment Card Industry Security Standards Council and the Electronic Payment Association (frequently referred to as "NACHA").

**"Payment Brand Rules"** means all bylaws, rules, programs, regulations, specifications, and manuals, as they exist from time to time, of the Payment Brands.

**"Payment Card" or "Payment Instrument"** means an account, or evidence of an account, authorized and established between a Payor and a Payment Brand, or representatives or members of a Payment Brand that Merchant accepts from Payors as payment on an account or for goods, or services. Payment Cards include, but are not limited to, credit and debit cards, stored value cards, loyalty cards, electronic gift cards, authorized account or access numbers, paper certificates, and credit accounts. Use of the term Payment Card or Payment Instrument throughout this Agreement includes any Payment Card with an embedded microcomputer EMV chip.

**"Payment Card Information"** means information related to a Payor or the Payor's Payment Card, that is obtained by Merchant from the Payor's Payment Card, or from the Payor in connection with his or her use of a Payment Card (e.g., a security code, a PIN number, credit limits, account balances, or the customer's zip code when provided as part of an

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address verification system). Without limiting the foregoing, such information may include the Payment Card account number and expiration date, the Payor's name or date of birth, PIN data, security code data (such as CVV2 and CVC2), and any data read, scanned, imprinted, or otherwise obtained from the Payment Card, whether printed thereon, or magnetically, electronically, or otherwise stored thereon. For the avoidance of doubt, the data elements that constitute Payment Card Information shall be treated according to their corresponding meanings as "cardholder data" and "sensitive authentication data" as such terms are used in the then current PCI DSS.

"**Paymentech**" means Paymentech, LLC, a Delaware limited liability company, having its principal office at 14221 Dallas Parkway, Dallas, Texas 75254.

"**Refund**" means any refund or credit issued for any reason, including, without limitation, for a return of merchandise or cancellation of services, and any adjustment of a Transaction.

"**Refund Policy**" means a written policy with regard to Refunds.

"**Retrieval Request**" means a request for information by a Payor or Payment Brand relating to a claim or complaint concerning a Transaction.

"**Security Standards**" means all rules, regulations, standards, or guidelines adopted or required by the Payment Brands or the Payment Card Industry Security Standards Council relating to privacy, data security, and the safeguarding, disclosure, and handling of Payment Card Information, including, without limitation, the Payment Card Industry Data Security Standards ("PCI DSS"), Visa's Cardholder Information Security Program ("CISP"), Discover's Information Security & Compliance Program ("DISC"), American Express's Data Security Operating Policy, MasterCard's Site Data Protection Program ("SDP"), Visa's Payment Application Best Practices ("PABP"), the Payment Card Industry's Payment Application Data Security Standard ("PA DSS"), MasterCard's POS Terminal Security program, and the Payment Card Industry PIN Transmission Security program ("PCI PTS"), in each case as they may be amended from time to time.

"**Service Provider**" means any party that processes, stores, receives, transmits, or has access to Payment Card Information on Merchant's behalf, including, without limitation, its agents, business partners, contractors, and subcontractors.

"**Settled Transaction**" means a Transaction conducted between a Payor and Merchant utilizing a Payment Card in which consideration is exchanged between the Payor and Merchant for payment on an account or the purchase of a good or service or a Refund and the value for such Transaction is settled by the Payment Brand through Paymentech to the Merchant.

"**Stored Value Card Transaction**" means a Transaction in which a Payor adds or redeems value to or from a stored value card, gift card, or loyalty Payment Card issued by or on behalf of Merchant.

"**Transaction**" means a transaction conducted between a Payor and Merchant utilizing a Payment Card in which consideration is exchanged between the Payor and Merchant.

"**Transaction Data**" means the written or electronic record of a Transaction, including, without limitation, an authorization code or settlement record, which is submitted to Paymentech.

"**Transaction Receipt**" means an electronic or paper record of a Transaction generated upon completion of a sale or Refund, a copy of which is presented to the Payor.

*[Signature Page Follows]*

EXHIBIT A

IN WITNESS WHEREOF, the undersigned parties have duly executed this Agreement.

Agreed and Accepted by:

The City of Austin  
Merchant Legal Name

By (authorized signature)

Matthew Dora Byer Sr. Supervisor  
Print Name and Title

11-29-16  
Date

124 W. 8th St Suite 310  
Address

Austin, TX 78701  
City, State Zip

Agreed and Accepted by:

PAYMENTECH, LLC for itself and on behalf of  
JPMORGAN CHASE BANK, N.A.

By

Jeffrey Burns  
Print Name and Title

11/18/16  
Date

14221 Dallas Pkwy  
Address

Dallas, TX 75254  
City, State Zip

V14242

To Be Completed By Paymentech, LLC

Merchant Agreement Contract Number is: \_\_\_\_\_  
Merchant Processing Identification Number Will Be Provided At Time of Processing Set Up



March 17, 201

# PROPOSAL TO CITY OF AUSTIN

RFP Number: TVN0055Rebid

J.P.Morgan

City of Austin

**Proposal in Response to**

**Merchant Card Processing Services**

**Solicitation Number: RFP TVN0055REBID**

**March 17, 2016**

JPMorgan Chase Bank, N.A.

Prepared by:

Galloway Velasquez  
Corporate Relationship Manager  
512.479.5410  
[galloway.velasquez@chasepaymentech.com](mailto:galloway.velasquez@chasepaymentech.com)





**CITY OF AUSTIN, TEXAS**  
**Purchasing Office**  
**REQUEST FOR PROPOSAL (RFP)**  
**OFFER SHEET**

**SOLICITATION NO:** TVN0055REBID  
**DATE ISSUED:** FEBRUARY 22, 2016

**COMMODITY/SERVICE DESCRIPTION:** MERCHANT CARD  
PROCESSING SERVICES

**REQUISITION NO.:** RQM 7400 15072700455

**PRE-PROPOSAL CONFERENCE TIME AND DATE:** N/A

**COMMODITY CODE:** 94635

**LOCATION:** N/A

**PROPOSAL DUE PRIOR TO:** 2:00 PM on March 17, 2016

**PROPOSAL CLOSING TIME AND DATE:** 2:00 PM on March 17,  
2016

**FOR CONTRACTUAL AND TECHNICAL  
ISSUES CONTACT THE FOLLOWING  
AUTHORIZED CONTACT PERSON:**

**LOCATION:** MUNICIPAL BUILDING, 124 W 8<sup>th</sup> STREET  
RM 308, AUSTIN, TEXAS 78701

Terry V. Nicholson  
Senior Buyer Specialist

**LIFE SOLICITATION CLOSING ONLINE:** For RFP's,  
only the names of respondents will be read aloud

**Phone:** (512) 974-2995  
**E-Mail:** [terry.nicholson@austintexas.gov](mailto:terry.nicholson@austintexas.gov)

For information on how to attend the Solicitation Closing online,  
please select this link:

Sandy Wirtanen  
Senior Buyer

<http://www.austintexas.gov/departments/bid-opening-webinars>

**Phone:** (512) 974-7711  
**E-Mail:** [sandy.wirtanen@austintexas.gov](mailto:sandy.wirtanen@austintexas.gov)

**When submitting a sealed Offer and/or Compliance Plan, use the proper address for the type of service desired, as shown below:**

<b>Address for US Mail (Only)</b>	<b>Address for Fedex, UPS, Hand Delivery or Courier Service</b>
City of Austin	City of Austin, Municipal Building
Purchasing Office-Response Enclosed for Solicitation # TVN0055Rebid	Purchasing Office-Response Enclosed for Solicitation # TVN0055Rebid
P.O. Box 1088	124 W 8 <sup>th</sup> Street, Rm 308
Austin, Texas 78767-8845	Austin, Texas 78701
	Reception Phone: (512) 974-2500

**NOTE:** Offers must be received and time stamped in the Purchasing Office prior to the Due Date and Time. It is the responsibility of the Offeror to ensure that their Offer arrives at the receptionist's desk in the Purchasing Office prior to the time and date indicated. Arrival at the City's mailroom, mail terminal, or post office box will not constitute the Offer arriving on time. See Section 0200 for additional solicitation instructions.

**All Offers (including Compliance Plans) that are not submitted in a sealed envelope or container will not be considered.**

**SUBMIT 1 ORIGINAL AND 1 EXACT ELECTRONIC COPY OF YOUR RESPONSE ON FLASH DRIVE**

**\*\*\*SIGNATURE FOR SUBMITTAL REQUIRED ON PAGE 3 OF THIS DOCUMENT\*\*\***

This solicitation is comprised of the following required sections. Please ensure to carefully read each section including those incorporated by reference. ~~By signing this document, you are agreeing to all the items contained herein and will be bound to all terms.~~

SECTION NO.	TITLE	PAGES
0100	STANDARD PURCHASE DEFINITIONS	*
0200	STANDARD SOLICITATION INSTRUCTIONS	*
0300	STANDARD PURCHASE TERMS AND CONDITIONS	*
0400	SUPPLEMENTAL PURCHASE PROVISIONS	4 – 6
0500	SCOPE OF WORK	7 - 11
0600	PROPOSAL PREPARATION INSTRUCTIONS & EVALUATION FACTORS	12 - 17
0605	LOCAL BUSINESS PRESENCE IDENTIFICATION FORM – Complete and return	18 - 19
ATT	ATTACHMENT 1 – SECTION 0610 COST SHEET	Attached
0700	REFERENCE SHEET – Complete and return if required	20
0800	NON-DISCRIMINATION CERTIFICATION	*
0805	NON-SUSPENSION OR DEBARMENT CERTIFICATION	*
0810	NON-COLLUSION, NON-CONFLICT OF INTEREST, AND ANTI-LOBBYING CERTIFICATION	*
0835	NONRESIDENT BIDDER PROVISIONS – Complete and return	21
0900	MBE/WBE PROCUREMENT PROGRAM PACKAGE NO GOALS FORM – Complete & return	22 - 23

**\* Documents are hereby incorporated into this Solicitation by reference, with the same force and effect as if they were incorporated in full text. The full text versions of the \* Sections are available, on the Internet at the following online address:**

[http://www.austintexas.gov/financeonline/vendor\\_connection/index.cfm#STANDARDBIDDOCUMENTS](http://www.austintexas.gov/financeonline/vendor_connection/index.cfm#STANDARDBIDDOCUMENTS)

The incorporation of any documents into the Solicitation shall not bind the respondent unless and until such documents are discussed and included in a final written agreement to be executed by the parties.

**If you do not have access to the Internet, you may obtain a copy of these Sections from the City of Austin Purchasing Office located in the Municipal Building, 124 West 8<sup>th</sup> Street, Room #308 Austin, Texas 78701; phone (512) 974-2500. Please have the Solicitation number available so that the staff can select the proper documents. These documents can be mailed, expressed mailed, or faxed to you.**

#### **INTERESTED PARTIES DISCLOSURE**

**In addition, Section 2252.908 of the Texas Government Code requires the successful offeror to complete a Form 1295 “Certificate of Interested Parties” that is signed and notarized for a contract award requiring council authorization. The “Certificate of Interested Parties” form must be completed on the Texas Ethics Commission website, printed, signed and submitted to the City by**



the authorized agent of the Business Entity with acknowledgement that disclosure is made under oath and under penalty of perjury prior to final contract execution.

[https://www.ethics.state.tx.us/whatsnew/elf\\_info\\_form1295.htm](https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm)

The undersigned, by his/her signature, represents that he/she is submitting information which is intended to assist in understanding Paymentech's responses, a binding offer and is authorized to bind the respondent to fully comply with the solicitation document contained herein. The Respondent, by submitting and signing below, acknowledges that he/she has received and read the entire document packet sections defined above including all documents incorporated by reference, and agrees to be bound by the terms therein.

Company Name: Paymentech, LLC

Company Address: 14221 Dallas Parkway


City, State, Zip: Dallas, TX 75254

Federal Tax ID No. [REDACTED]

Printed Name of Officer or Authorized Representative: Luis Marrero

Title: Executive Director and General Manager, Relationship Management

Signature of Officer or Authorized

Representative: 

Date: March 17, 2016

Email Address: [luis.marrero@chasepaymentech.com](mailto:luis.marrero@chasepaymentech.com)

Phone Number: 214.849.2412

**\* Proposal response must be submitted with this Offer sheet to be considered**

**Section 0605: Local Business Presence Identification**

A firm (Offeror or Subcontractor) is considered to have a Local Business Presence if the firm is headquartered in the Austin Corporate City Limits, or has a branch office located in the Austin Corporate City Limits in operation for the last five (5) years, currently employs residents of the City of Austin, Texas, and will use employees that reside in the City of Austin, Texas, to support this Contract. The City defines headquarters as the administrative center where most of the important functions and full responsibility for managing and coordinating the business activities of the firm are located. The City defines branch office as a smaller, remotely located office that is separate from a firm's headquarters that offers the services requested and required under this solicitation.

**OFFEROR MUST SUBMIT THE FOLLOWING INFORMATION FOR EACH LOCAL BUSINESS (INCLUDING THE OFFEROR, IF APPLICABLE) TO BE CONSIDERED FOR LOCAL PRESENCE.**

*NOTE: ALL FIRMS MUST BE IDENTIFIED ON THE MBE/WBE COMPLIANCE PLAN OR NO GOALS UTILIZATION PLAN (REFERENCE SECTION 0900).*

**\*USE ADDITIONAL PAGES AS NECESSARY\***

**OFFEROR:**

Name of Local Firm	Paymentech, LLC	
Physical Address	14221 Dallas Parkway, Dallas, TX 75254	
Is your headquarters located in the Corporate City Limits? (circle one)	Yes	<u>No</u>
or		
Has your branch office been located in the Corporate City Limits for the last 5 years?		Paymentech, LLC recently established a branch location within the Corporate City limits; however, JPMorgan Chase has been located in the Corporate City limits for more than 5 years. Offices are located in Austin at 221 West Sixth Street.
Will your business be providing additional economic development opportunities created by the contract award? (e.g., hiring, or employing residents of the City of Austin or increasing tax revenue?)	Yes	<u>No</u>

**SUBCONTRACTOR(S): Not applicable**

Name of Local Firm		
Physical Address		
Is your headquarters located in the Corporate City Limits? (circle one)	Yes	No
or		
Has your branch office been located in the Corporate City Limits for the last 5 years	Yes	No



Will your business be providing additional economic development opportunities created by the contract award? (e.g., hiring, or employing residents of the City of Austin or increasing tax revenue?)	Yes	No

**SUBCONTRACTOR(S):**

Name of Local Firm		
Physical Address		
Is your headquarters located in the Corporate City Limits? (circle one)	Yes	No
or		
Has your branch office been located in the Corporate City Limits for the last 5 years	Yes	No
Will your business be providing additional economic development opportunities created by the contract award? (e.g., hiring, or employing residents of the City of Austin or increasing tax revenue?)	Yes	No

**Section 0700: Reference Sheet**

Please include the following information if required in the solicitation:

Responding Company Name J.P. Morgan

1. Company's Name City of Round Rock  
Name and Title of Contact Joan Sharp, Accounting Manager  
Present Address 221 E. Main Street  
City, State, Zip Code Round Rock, TX 78664  
Telephone Number (512)218-3297 Fax Number (512)218-5442  
Email Address [jsharp@roundrocktexas.gov](mailto:jsharp@roundrocktexas.gov)

2. Company's Name City of Georgetown  
Name and Title of Contact Cindy Pospisil, Accounting Manager/Customer Care  
Present Address 300 Industrial Ave.  
City, State, Zip Code Georgetown, TX  
Telephone Number (512)930-0532 Fax Number (512)930-3534  
Email Address [Cindy.Pospisil@georgetown.org](mailto:Cindy.Pospisil@georgetown.org)

3. Company's Name Capital Metro  
Name and Title of Contact Kamal Butala, Finance Division  
Present Address 2910 E. 5<sup>th</sup> Street  
City, State, Zip Code Austin, TX 78702  
Telephone Number (512)369-6244 Fax Number (512)369-6070  
Email Address [Kamal.Butala@capmetro.org](mailto:Kamal.Butala@capmetro.org)



4. Company's Name City of San Marcos

Name and Title of Contact Heather Hurlbert, Director of Finance

Present Address 201 Martin Luther King Drive

City, State, Zip Code San Marcos, TX 78666

Telephone Number (512)393-8176 Fax Number (855)697-4658

Email Address [hhurlbert@sanmarcostx.gov](mailto:hhurlbert@sanmarcostx.gov)

5. Company's Name State Bar of Texas

Name and Title of Contact Cheryl Howell, CFO

Present Address 1414 Colorado Street

City, State, Zip Code Austin, TX 78701

Telephone Number (512)427-1521 Fax Number (512)427-4100

Email Address [Cheryl.howell@texasbar.com](mailto:Cheryl.howell@texasbar.com)

**Section 0835: Non-Resident Bidder Provisions**

Company Name Paymentech LLC

- A. Bidder must answer the following questions in accordance with Vernon's Texas Statutes and Codes Annotated Government Code 2252.002, as amended:

Is the Bidder that is making and submitting this Bid a "Resident Bidder" or a "non-resident Bidder"?

Answer: Resident Bidder

- (1) Texas Resident Bidder- A Bidder whose principle place of business is in Texas and includes a Contractor whose ultimate parent company or majority owner has its principal place of business in Texas.  
(2) Nonresident Bidder- A Bidder who is not a Texas Resident Bidder.

- B. If the Bidder is a "Nonresident Bidder" does the state, in which the Nonresident Bidder's principal place of business is located, have a law requiring a Nonresident Bidder of that state to bid a certain amount or percentage under the Bid of a Resident Bidder of that state in order for the nonresident Bidder of that state to be awarded a Contract on such bid in said state?

Answer: \_\_\_\_\_ Which State: \_\_\_\_\_

- C. If the answer to Question B is "yes", then what amount or percentage must a Texas Resident Bidder bid under the bid price of a Resident Bidder of that state in order to be awarded a Contract on such bid in said state?

Answer: \_\_\_\_\_



## Global Supplier Diversity Program

### Supplier Diversity Program Mission

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Through JPMorgan Chase's supplier diversity initiatives, the firm is committed to promoting diverse suppliers' economic growth and development. Senior management's commitment, policies, procedures, strategies, and results demonstrate that supplier diversity is part of our DNA. We are proactive in our outreach to diverse businesses, connecting them with internal and external decision-makers. Our efforts help to build a strong and vibrant diverse supplier pipeline that creates mutually beneficial business relationships and increases shareholder value.

JPMorgan Chase's commitment to engaging diverse suppliers is evident in many aspects of our supply chain. From designing, constructing, furnishing, staffing, and maintaining our banking branches and offices, to manufacturing credit cards, operating call centers, marketing our products and services, collecting on outstanding debt, and advocating for the firm in legal matters, diverse suppliers drive significant value and make noteworthy contributions to our continued success. With emphasis on LOB and category spend, JPMorgan Chase ensures the continual growth and expansion of our supplier diversity efforts in all aspects of commerce.

### Supplier Diversity Achievements

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- Over the past ten years, JPMC has spent over \$11.7 billion dollars with diverse suppliers
- JPMorgan Chase spent in the US in 2015:
  - \$673 million dollars with Minority Owned businesses
  - \$435 million dollars with Women-Owned businesses
  - \$106 million dollars with Veteran and Disable Veteran-Owned businesses
- JPMorgan Chase spent in the state of Texas in 2015:
  - \$123 million dollars with Minority Owned businesses
  - \$2 million dollars with Women-Owned businesses
- JPMorgan Chase spent \$1,400 with Women-Owned businesses in the city of Austin in 2015
- **The National Veteran-Owned Business Association (NaVOBA)** selected JPMorgan Chase as one of the 2015 Military Friendly Supplier Diversity Programs
- **Black Enterprise magazine** named the bank to its Top 35 Companies for 2015 Supplier Diversity list. It singled out the firm, saying it "demonstrated best practices through [its] diverse representation within [its] supply chain"
- **Minority Business News magazine (MBN USA)** recognized JPMorgan Chase among the 2015 Corporate 101: America's Most Admired Corporations for Supplier Diversity
- **USBN Magazine** named JPMorgan Chase one of their 2015 "Top Companies for Supplier Diversity"
- JPMorgan Chase celebrated the **20<sup>th</sup> anniversary** of the Supplier Diversity program in 2014
- **The National Veteran-Owned Business Association (NaVOBA) and Vetrepreneur** magazine named JPMorgan Chase among the top 10 corporations for using veteran-owned businesses for the 2<sup>nd</sup> year in a row (announced in April 2014 issue of the magazine)

### Supplier Diversity Certification Requirements

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- JPMorgan Chase defines "Diverse Suppliers" as minority and women-owned business enterprises ("MWBE"), Disabled Business Enterprises ("DBE"), Lesbian/Gay/Bi-sexual/Transgender Enterprises ("LGBT") and Veteran Business Enterprises ("VBE") which are certified by a JPMorgan Chase designated third-party as having met the definition of being at least 51% owned, controlled AND operated by one or more members of a diverse group.
- Diverse suppliers interested in doing business, or currently doing business with JPMorgan Chase must register via the *JPMorgan Chase Supplier Registration Portal*.
- Visit [www.jpmorganchase.com/supplierdiversity](http://www.jpmorganchase.com/supplierdiversity) for additional information.

### Supplier Diversity and the Strategic Sourcing Process

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Supplier Diversity processes are integrated into the strategic sourcing process. We partner with sourcing managers and lines of business to be involved in each step of sourcing engagements, including:

- *Gaining an assessment of upcoming RFPs*

## Global Supplier Diversity Program

- *Identifying screening criteria to pre-qualify diverse suppliers*
- *Narrowing the long list of suppliers to those offering the most potential*
- *Assisting in the RFP scoring process*
- *Assisting supplier management in overseeing suppliers*

We utilize our own Supplier Registration Portal as well as other external databases to find qualified diverse businesses that can meet the needs of our internal clients.

### Management Tracking & Reporting Systems

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JPMorgan Chase's robust management, tracking and reporting systems support our supplier diversity initiatives and give us a competitive advantage. First, our *eRFX* system has embedded supplier diversity rules that allow us to view upcoming procurement needs. They require the sourcing professional to identify a supplier diversity professional for the project and state whether one is being invited to compete in the eRFP. If they are not invited to compete, the reason must be identified. The supplier diversity professional works with the sourcing professional to identify qualified diverse suppliers to compete for the business and tracks whether diverse supplier(s) ultimately succeed or fail in completing the process. Our supplier diversity team deploys the eRFX system as a 'pre-qualification' tool. As we search for best-in-class diverse suppliers to compete in RFPs, we cast a wide net using a variety of resources to compliment our Supplier Registration Portal database (see 'External Organizations' below). We further narrow the field of RFP contenders through a customized Supplier Diversity RFPI (Request for Preliminary Information) process, which screens according to the specific technical and business requirements for each RFP.

JPMorgan Chase has the ability to track spend by classification: MBE (Minority Owned Business Enterprises); WBE (Women Owned Business Enterprises); VBE (Veteran Owned Business Enterprises); DVBE (Disabled Veteran Owned Business Enterprises); SDVBE (Service Disabled Veteran Owned Business Enterprises); LGBTE (Lesbian Gay Bisexual Transgender Owned Business Enterprises); DOBE (Disabled Owned Business Enterprises) and SBE (Small Business Enterprise). Internally, we report monthly spend with diverse and minority owned businesses. We provide external indirect reports on a quarterly basis.

### External Organizations

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We partner with several organizations and their regional (or local) affiliates for support to execute on our supplier diversity objectives, including baseline certification standards. The following are examples of our largest community partner relationships:

- National Minority Supplier Development Council (NMSDC)
- Women's Business Enterprise National Council (WBENC)
- National Gay and Lesbian Chamber of Commerce (NGLCC)
- National Veteran-Owned Business Association (NaVOBA)
- U.S. Business Leadership Network (USBLN)
- U.S. Hispanic Chamber of Commerce (USHCC)
- The Latino Coalition (TLC)
- U.S. Pan Asian American Chamber of Commerce (USPAACC)

### Subcontracting Plan

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JPMorgan Chase consistently makes good faith efforts to provide contracting opportunities to diverse suppliers. We look to grow our incumbent minority and disadvantaged supply base. In addition, we introduce new diverse suppliers into our supply chain. We maintain relationships with organizations to help us achieve these goals and support organizations that promote growth and development within the diverse supplier community.



## Global Supplier Diversity Program

In response to this RFP, JPMorgan Chase does not anticipate subcontracting a portion of these goods or services directly to a diverse supplier. We are willing to engage in conversations to further discuss opportunities for subcontracting with diverse suppliers and can submit *quarterly Tier 2 indirect* reports upon request.

### Additional Information

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For additional information on our Supplier Diversity Program, visit our [website](#) or contact the JPMorgan Chase Supplier Diversity Managing Director, Jacqueline Rosa, [supplier.diversity@jpmchase.com](mailto:supplier.diversity@jpmchase.com)

# CITY OF AUSTIN, TEXAS

## Purchasing Office

### REQUEST FOR PROPOSAL (RFP) SOLICITATION NO: TVN0055Rebid

#### CITY OF AUSTIN PURCHASING OFFICE SUPPLEMENTAL PURCHASE PROVISIONS

2. **INSURANCE:** Insurance is required for this solicitation.

A. **General Requirements:** See Section 0300, Standard Purchase Terms and Conditions, paragraph 32, entitled Insurance, for general insurance requirements.

i. The Contractor shall provide a Certificate of Insurance as verification of coverages required below to the City at the below address prior to contract execution and within 14 calendar days after written request from the City. Failure to provide the required Certificate of Insurance may subject the Offer to disqualification from consideration for award

ii. The Contractor shall not commence work until the required insurance is obtained ~~and until such insurance has been reviewed by the City. Approval of insurance by the City~~ Maintenance of insurance shall not relieve or decrease the liability of the Contractor hereunder and shall not be construed to be a limitation of liability on the part of the Contractor.

iii. ~~Upon request~~ the Contractor must also forward a Certificate of Insurance to the City whenever a previously identified policy period has expired, or an extension option or holdover period is exercised, as verification of continuing coverage.

iv. The Certificate of Insurance, and updates, shall be mailed to the following address:

City of Austin Purchasing Office

P. O. Box 1088

Austin, Texas 78767

B. **Specific Coverage Requirements:** The Contractor shall at a minimum carry insurance in the types and amounts indicated below for the duration of the Contract, including extension options and hold over periods, and during any warranty period. These insurance coverages are required minimums and are not intended to limit the responsibility or liability of the Contractor.

i. **Worker's Compensation and Employers' Liability Insurance:** Coverage shall be consistent with statutory benefits outlined in the Texas Worker's Compensation Act (Section 401). The minimum policy limits for Employer's Liability are \$100,000 bodily injury each accident, \$500,000 bodily injury by disease policy limit and \$100,000 bodily injury by disease each employee and include a Blanket Waiver of Subrogation in favor of the City of Austin.

~~(1) The Contractor's policy shall apply to the State of Texas and include these endorsements in favor of the City of Austin:~~

~~(a) Waiver of Subrogation, Form WC420304, or equivalent coverage~~

~~(b) Thirty (30) days Notice of Cancellation, Form WC420601, or equivalent coverage~~

ii. **Commercial General Liability Insurance:** The minimum bodily injury and property damage per occurrence are \$500,000 for coverages A (Bodily Injury and Property Damage) and B (Personal and Advertising Injury).

(1) The policy shall contain the following provisions:

(a) Contractual liability coverage for liability assumed under the Contract ~~and all other Contracts related to the project.~~

(b) Contractor/Subcontracted Work

(c) ~~Products/Completed Operations Liability for the duration of the warranty period.~~



(d) If the project involves digging or drilling provisions must be included that provide Explosion, Collapse, and/or Underground Coverage.

(2) The policy shall also include these blanket endorsements in favor of the City of Austin:

(a) Waiver of Subrogation, ~~Endorsement CG 2404, or equivalent coverage~~

(b) ~~Thirty (30) days Notice of Cancellation, Endorsement CG 0205, or equivalent coverage~~

~~(c) The City of Austin listed as an additional insured, Endorsement CG 2010, or equivalent coverage as their interests may appear relative to claims of bodily injury or property damage which arise from Contractor's negligent acts or omissions in connection with the performance of this contract.~~

iii. **Business Automobile Liability Insurance:** The Contractor shall provide coverage for all owned, non-owned and hired vehicles with a minimum combined single limit of \$500,000 per occurrence for bodily injury and property damage. Alternate acceptable limits are \$250,000 bodily injury per person, \$500,000 bodily injury per occurrence and at least \$100,000 property damage liability per accident.

(1) The policy shall include these blanket endorsements in favor of the City of Austin:

(a) Waiver of Subrogation, ~~Endorsement CA0444, or equivalent coverage~~

(b) ~~Thirty (30) days Notice of Cancellation, Endorsement CA0244, or equivalent coverage~~

~~(c) The City of Austin listed as an additional insured, Endorsement CA2048, or equivalent coverage as their interests may appear relative to claims of bodily injury or property damage which arise from Contractor's negligent acts or omissions in connection with the performance of this contract.~~

~~C. Endorsements: The specific insurance coverage endorsements specified above, or their equivalents must be provided. In the event that endorsements, which are the equivalent of the required coverage, are proposed to be substituted for the required coverage, copies of the equivalent endorsements must be provided for the City's review and approval.~~

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## CITY OF AUSTIN DEPARTMENT OF AVIATION STANDARD PURCHASE TERMS AND CONDITIONS

32. **INSURANCE:** (reference Section 0400 for specific coverage requirements). The following insurance requirement applies. (Revised March 2013).

### A. General Requirements.

i. The Contractor shall at a minimum carry insurance in the types and amounts indicated in Section 0400, Supplemental Purchase Provisions, for the duration of the Contract, including extension options and hold over periods, and during any warranty period.

ii. The Contractor shall provide Certificates of Insurance with the coverages and blanket endorsements required in Section 0400, Supplemental Purchase Provisions, to the City as verification of coverage prior to contract execution and within fourteen (14) calendar days after written request from the City. Failure to provide the required Certificate of Insurance may subject the Offer to disqualification from consideration for award. The Contractor must also forward a Certificate of Insurance to the City whenever a previously identified policy period has expired, or an extension option or hold over period is exercised, as verification of continuing coverage.

iii. The Contractor shall not commence work until the required insurance is obtained ~~and until such insurance has been reviewed by the City. Approval of insurance by the City~~ Maintenance of insurance shall not relieve or decrease the liability of the Contractor hereunder and shall not be construed to be a limitation of liability on the part of the Contractor.

~~iv. The City may request that the Contractor submit certificates of insurance to the City for all subcontractors prior to the subcontractors commencing work on the project.~~

CITY OF AUSTIN  
PURCHASING OFFICE  
MERCHANT CARD PROCESSING  
COST SHEET

NOTE: This form must be completed in its entirety and signed in ink below. Respondents should be certain that the completed form contains ALL of the fees that will appear on the monthly statement for the services required. Enter fee/rate proposal in column L.

**Recurring Charges**

**1.0 Visa, MasterCard, and Discover Merchant Processing Fees**

\* Rates provided should include all merchant processing costs, with the exception of Interchange and Dues/Assessments.

Do not include Interchange and Dues/Assessments imposed by Card Brands.

Sales Percentage Charge by Card Type	Estimated # Items per year	Estimated \$ Volume per year	Rate	Total Cost per year
Visa		31,900,000.00	x 0.03% =	\$7,975
MasterCard		12,250,000.00	x 0.03% =	\$3,063
Discover		1,050,000.00	x 0.03% =	\$263
<b>Projected Total</b>		<b>45,200,000.00</b>		<b>\$11,300</b>
<b>Per Item Capture Charge by Card Type</b>				
Visa	482,000		x 0.05 =	\$24,100
MasterCard	160,000		x 0.05 =	\$8,000
Discover	13,850		x 0.05 =	\$693
<b>Projected Total</b>	<b>655,850</b>			<b>\$32,793</b>

**2.0 AMEX Fees**

\* Please note that the City has an a contract in place with AMEX, the fees to be documented for AMEX should only include those for processing of American Express transactions that will be submitted to AMEX for settlement.

Sales Percentage Charge by Card Type		7,650,000.00	x 0.00% =	\$0
Per Item Capture Charge by Card Type	64,400		x 0.065 =	\$4,186
<b>Projected Totals</b>				<b>\$4,186</b>

**3.0 Gateways**

Authorize.net	200,000		x 0.05 =	\$10,000
Authorize.net Monthly Gateway Fee (5 MIDs/month)	60		x 5 =	\$300
Plug-n-Pay	175,000		x 0.05 =	\$8,750

4.0 Chargeback Processing	120		x 5 =	\$600
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5.0 Statement Fee (90 merchant #s/month)	1080		x 0 =	\$0
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**6.0 Other Fees - (List)\***

\* List all other recurring fees that will be charged.

Funding (ACH/Wire)Fee	0		x 0.5 =	\$0
PIN Debit	28		x 0.03 =	\$1
JCB	0		x 0.05 =	\$0
			x =	\$0
			x =	\$0
			x =	\$0
			x =	\$0

<b>Projected Totals</b>				<b>\$1</b>
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<b>TOTAL RECURRING FEES</b>				<b>\$67,929</b>
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CITY OF AUSTIN  
PURCHASING OFFICE  
MERCHANT CARD PROCESSING  
COST SHEET

Credit Card Equipment/Terminals

7.0 Equipment Purchase

Authorization Terminals

Quantity

110

x 355 = \$39,050

Make/Model # \_\_\_\_\_

Make/Model # \_\_\_\_\_

Make/Model # \_\_\_\_\_

TOTAL EQUIPMENT PURCHASES

\$39,050

Start-Up/Implementation Charges

Quantity

Price

Total Cost

8.0 Programming Fee

\_\_\_\_\_ x \_\_\_\_\_ = \$0

9.0 Merchant Set-up

5 x 25 = \$125

10.0 Authorize.net Set-up

5 x 199 = \$995

11.0 Other Start-Up/Implementation Charges (List)\*

\* List all other Start-Up/Implementation charges that will be assessed.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_ x \_\_\_\_\_ = \$0  
\_\_\_\_\_ x \_\_\_\_\_ = \$0  
\_\_\_\_\_ x \_\_\_\_\_ = \$0  
\_\_\_\_\_ x \_\_\_\_\_ = \$0

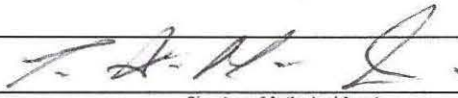
TOTAL START-UP / IMPLEMENTATION CHARGES

\$1,120

TOTAL FEES (INCLUDING RECURRING, EQUIPMENT PURCHASES, IMPLEMENTATION)

\$108,099

Submitted and Authorized By:



Signature of Authorized Agent

Typed/printed name:

Luis A. Marrero Jr.



**ADDENDUM  
MERCHANT CARD PROCESSING SERVICES  
CITY OF AUSTIN, TEXAS**

**Solicitation: RFP TVN0055REBID**

**Addendum No: 1**

**Date of Addendum:**

**3/7/2016**

This addendum is to incorporate the following changes to the above referenced solicitation:

**I. Clarifications:**

- 1) Section 0610 Cost Sheet has been replaced with Section 0610 Cost Sheet REVISED. Proposers must use the revised sheet when submitting their proposal.

**II. Questions and Answers:**

**Q1: Your RFP TVN0055REBID states in Section 0500, page 5, that certain departments have external PIN Pads. How many do you require, and where do I show this in the spreadsheet 0610? A PIN Pad is a separate piece of equipment.**

**A1:** Currently, none of the City departments utilize a PIN Pad, however, the City wants the capability to add PIN Pads in the future. If the PIN Pad has an ongoing fee, the Proposer should include the fee on the 0610 Cost Sheet under 6.0 Other Fees. If the PIN Pad has a one-time fee at implementation, the Proposer should include the fee on the 0610 Cost Sheet under 11.0 Other Start-up/Implementation Charges.

**Q2: Of the 110 terminals needed, how many are Ethernet IP and how many are Dialup? For Ethernet IP, are IP addresses Static or Dynamic? For Dialup, is there a "9" required for those machines to obtain an outside line?**

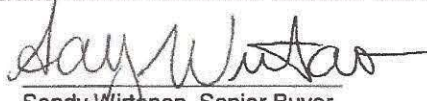
**A2:** Approximately 30 terminals utilize an Ethernet connection. Proposer should explain both Static and Dynamic Ethernet IP addresses as well as include pricing differences on the 0610 Cost Sheet. In regards to the remaining 80 terminals that have a direct analog connection that may require a "9" to obtain an outside line, this information is not available at this time.

**Q3: The spreadsheet on page 1 requires we do not include Interchange and Dues/Assessments imposed by Card Brands. There are card brand fees per swipe that are separate from the flat capture fee. Where should these be included?**

**A3:** Any pass through fees from the card brand should not be included.

**III. ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.**

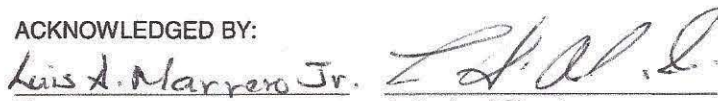
APPROVED BY:

  
Sandy Wirtanen, Senior Buyer  
Purchasing Office, 512-974-7711

Date:

3/7/16

ACKNOWLEDGED BY:

  
Name: Luis A. Marrero Jr.  
Authorized Signature

Date:

3/14/16

**RETURN ONE COPY OF THIS ADDENDUM TO THE PURCHASING OFFICE, CITY OF AUSTIN, WITH YOUR RESPONSE OR PRIOR TO THE SOLICITATION CLOSING DATE. FAILURE TO DO SO MAY CONSTITUTE GROUNDS FOR REJECTION.**





MEMORANDUM

**From:** Paymentech, LLC ("Chase Paymentech")

**To:** City of Austin ("Merchant")

**Re:** Merchant Card Processing Services

We are pleased to have the opportunity to provide information relating to merchant bankcard payment processing services (the "Processing Services") to Merchant in connection with Merchant's Request for Proposal for electronic payment processing. If an agreement with Chase Paymentech is reached, such bankcard transactions will be processed by Chase Paymentech, a global leader in payment processing and merchant acquiring. The information in this memo is general in nature and provided to inform Merchant of the contractual structure that Chase Paymentech requires to perform the Processing Services for Merchant process. Additionally, this document also identifies some exceptions or clarifications we wish to identify regarding various provisions and requests contained in the RFP. Should any sworn document be required, we will need to have further discussions regarding such documents.

Please be advised that nothing in this Memorandum, or any attachments hereto, or in any material (written or oral) provided in response to the RFP or otherwise, constitutes a binding agreement between Chase Paymentech and Merchant. The respective rights and obligations of Chase Paymentech and Merchant will be defined in subsequent definitive agreements to be negotiated among the parties in substantially the form of the Select Agreement attached to this memo. **Please note, in this regard, Chase Paymentech by submitting a response, no firm offer is being made and that an award by Merchant of the business will not suffice to constitute an agreement between us. NO CONTRACT MAY BE CONSIDERED TO BE IN EFFECT WITHOUT A MUTUALLY ACCEPTABLE WRITTEN AGREEMENT EXECUTED BY THE PARTIES SUBSTANTIALLY IN THE FORM OF CHASE PAYMENTECH'S SELECT AGREEMENT ATTACHED HERETO. PLEASE NOTE OUR RESPONSE IS PROVIDED FOR INFORMATIONAL PURPOSES ONLY.** Therefore, please be advised that we will not be in agreement that the terms and conditions of the RFP are acceptable to us at this time and we cannot provide the signed certification of a binding offer set forth in the beginning of the RFP. Please also be advised that we take exception to the requirement that we sign the and agree to be bound by all the terms and conditions of the RFP and any and all documents attached, appended or referenced in the RFP.

While there is currently an agreement in effect between us because it is dependent on an agreement with the State of Texas which is no longer in effect, we will need to advise you that Merchant will be required to have a merchant processing agreement with Chase Paymentech. Attached is Chase Paymentech's Select Government Payment Card Processing Agreement for government entities (the "Select Agreement"), which we will require as the basis for the Processing Services to be provided by Paymentech. Many of the provisions in the Select Agreement are required by Visa and/or MasterCard rules to be included in any agreement that covers the processing of their bankcard transactions, and many others reflect requirements imposed by Visa and MasterCard on merchants generally or Chase Paymentech's operational or credit requirements.

Please note that we will need to reject the contractual terms and conditions contained in the RFP. As noted above, we will need to use a form of agreement drafted to reflect the specialized nature of card processing that satisfies the Payment Brand Rules. If there are specific provisions of the RFP which are critical to Merchant, we



would, of course, be willing to discuss them with you.

### **Supplemental Purchase Provisions**

1. Order of Precedence. Again, we disagree and take exception that these provisions which are generally aimed at the purchase of goods are applicable to the specialized nature of credit and debit payment card processing, which is subject to the Payment Brand Rules, which must take precedence over any provision in any RFP.
2. Insurance. Please note that JPMorgan Chase & Co., on behalf of itself and its subsidiaries, including, Paymentech, LLC, maintains insurance policies and coverage consistent with the needs of financial institutions of our size and nature. Please note that this matter will also require further discussion because provisions such as those presented by you are generally not included in our services agreement. Our comments on insurance are provided in an attachment identified as insurance comments.
3. Term. We are willing to discuss term with you but note that in order to avoid any violation of the Payment Brand Rules where we could be deemed to be processing transactions without a contract in place, we generally require an auto-renewal.
4. Non-Collusion, Non-Conflict, Lobbying—Any affidavit or sworn statement will need to be provided by the affiant with the addition that to the best of knowledge of the affiant and without any inquiry.
5. Price Increases. Regarding price increases, please see above. Chase Paymentech must be allowed in certain situations for, among other things, to account for increased costs, including third party costs, or changes in processing volume.
6. Invoicing. Funds collected cannot be deposited in full. Chase Paymentech net settles settlement funds for fees and other costs and does not invoice on a monthly basis. Operationally, we may discuss and mutually agree that fees for our services (excluding Chargebacks, returns, card-brand fees, etc.) will be debited from your bank account in lieu of being deducted from settlement funds. While statements are provided, we do not invoice in advance for fees.
7. Personnel. Please be advised that while Chase Paymentech will maintain sufficient resources to service merchant relationships, we do not contractually commit to identify specific individuals.

### **8. Section 1.1** **General Exceptions**

#### **Contractual Commitments**

As stated above, we require a subsequent definitive agreements to be negotiated and executed among the parties in substantially the form of the Select Agreement attached to this memo in order to be subject to an agreement and we take exception that the RFP and/or our response contains contractual commitments. As stated above, we trust that you understand that given the specialized nature of the Processing Services, we would not be able to utilize your form and no purchase order you may utilize or general city terms and conditions may supersede or take precedence over any agreement. The negotiation of the agreement will need to address any term or condition which may need to be reflected in the agreement to the extent the parties agree on the applicability of such terms and conditions.

In particular, please note that we would need to take exception to **the initial page** which requires us, simply by signing the form, to an agreement to the terms and conditions contained in the RFP. The RFP itself contains contractual terms, such as indemnification, assignment and termination clauses which will require further discussion and as drafted are not acceptable in the Processing Services environment. Though we are willing to discuss these terms with you, we cannot by virtue of our response agree to such terms at this point. We have edited that form accordingly.

Also, please be advised that with respect to section 1.1, we can agree to comply with laws, rules and regulations applicable to us generally as a processor but cannot agree to be bound by Merchant's specific Terms and



Conditions or to agree to be bound by laws, rules or regulations by virtue of entering into an agreement with Merchant that would not otherwise be applicable to Chase Paymentech. Therefore, we will not be providing at this time a statement of compliance with such Terms and Conditions.

### **Service Levels**

Please be advised that we cannot enter into any agreement that binds Chase Paymentech to merchant specific performance requirements, either in terms of delivery or ongoing service level agreements or specific recordkeeping requirements and we take exception to any provision to the contrary, whether in the Scope of Work section or elsewhere in the RFP. Therefore, please note that much of the responses provided are for your information only and not drafted to be contractual commitments.

### **Entities**

Also please note Chase Paymentech can only provide services for those agencies and entities that complete appropriate applications and provide required information to us and that are credit approved by us in accordance with our policies. If approved, such additional entities could either have separate contracts in the form of the Select Agreement attached as **Exhibit A** be added under Merchant's contract. We would need to further discuss joint and several liability for such additional agencies and entities.

### **Equipment and Software**

This will require further discussion.

### **Monthly Billing and Invoices.**

As we stated above, where additional entities are parties to one agreement, there is joint and several liability but we can arrange for individual merchant accounts under that one agreement.

Also, Chase Paymentech does not gross settle or invoice for its fees. Fees for payment processing are deducted from settlement funds, rather than invoiced on a monthly basis. Operationally, we may discuss and mutually agree that fees for our services (excluding Chargebacks, returns, card-brand fees, etc.) will be debited from your bank account in lieu of being deducted from settlement funds. While statements are provided, we do not invoice in advance for fees.

### **Settlement**

We will further need to discuss our right to debit for fees, fines or penalties or amounts otherwise due under the Agreement, should a contract be negotiated and executed. At this point, we take exception to the provisions in the RFP regarding our agreement not to debit for such amounts due.

### **Personnel**

Due to our size it is difficult describe specifically the resources that will be committed to this contract. We have and will maintain ample resources to perform all agreed upon services throughout the term of the agreement.

### **Subcontractors**

Chase Paymentech does not utilize subcontractors to perform processing of transactions.

### **Non-Collusion, Non-Discrimination.**

While Chase Paymentech is unaware of any issues in connection with its response regarding collusive efforts, none of its agents is able to represent conclusively and without any doubt that there is no collusion. Accordingly, we would need to add the qualifier that such person is signing is stating only “to the best of such person’s knowledge after no inquiry.

We comply with Federal EEOC provisions that do not include non-discrimination on the basis of “creed” or “marital status” but do not agree to change our policy or advertisements to include such terms. Further, we do not currently file or maintain a workforce utilization report, a form EEO-1 or a staffing plan, but can prepare such documentation upon request if provided reasonable timeframes for such production. We cannot agree that these provisions would be included in any subconsultant or subcontract agreement. In addition, with respect to Minority and Women Owned Businesses, Paymentech currently has no policies relating to and would not agree to undertake extra efforts to use the services of or contract with Minority and Women owned businesses and has no plans to implement such a policy or actions in the future or to provide quarterly reports on such matters. Therefore, we cannot agree to include such provisions in an agreement with you and must take exception to them.

### **Non-Conflict of Interest.**

With respect to this form, any statements made can only be “to the best of our knowledge after no inquiry.” In an organization as large as Chase Paymentech it would be impossible to represent to certain of the matters set forth therein, either for itself or on behalf of and to its officers, directors and shareholders and those of its parents and affiliates. We cannot make such sweeping representations.

### **Confidential**

Please note that certain information that we provide is confidential, including information on pricing and data security.

As noted above, we must take exception to these provisions which purport to bind Paymentech by submission of a response which is intended by Paymentech to be informational in nature in order for you to gain some insight into Paymentech as a Processing Services provider. **WE TAKE EXCEPTION AND DO NOT AGREE THAT OUR SUBMISSION IS TAKEN AS ACCEPTANCE OF TERMS AND CONDITIONS OR THE CREATION OF ANY LEGAL OBLIGATIONS. We are not making any warranties or undertaking any covenants of any kind by making this submission.**

The foregoing is a brief summary of some of the issues that may be the subject of negotiation if Chase Paymentech is awarded the Merchant's contract for processing services and the failure to state an exception should not be considered a waiver of any right to object to a provision during negotiation. Thank you for your consideration of our response. We look forward to working with you.



ATTACHMENT



**SELECT GOVERNMENT MERCHANT PAYMENT INSTRUMENT PROCESSING AGREEMENT  
U.S. GOVERNMENT AGREEMENT**

THIS SELECT GOVERNMENT MERCHANT PAYMENT INSTRUMENT PROCESSING AGREEMENT (the "Agreement") is entered into by and between **JPMorgan Chase Bank, N.A.**, a national banking association ("Member"), **Paymenttech, LLC**, a Delaware limited liability company ("Paymenttech"), and \_\_\_\_\_, an entity duly organized under the laws of the state of \_\_\_\_\_ ("Merchant").

**WHEREAS**, Member is a member of several Payment Brands and Paymenttech is authorized, through Member, to process the Merchant's Transactions; and

**WHEREAS**, Merchant wishes to accept Payment Instruments from its Customers as a method of payment for goods or services offered by Merchant;

**ACCORDINGLY**, in consideration of the mutual promises made and the mutual benefits to be derived from this Agreement, Paymenttech, Member, and Merchant agree to the following terms and conditions intending to be legally bound:

**1. MERCHANT'S ACCEPTANCE OF PAYMENT INSTRUMENTS.**

**1.1 Exclusivity.** During the term of this Agreement, Paymenttech shall be Merchant's exclusive provider of all Transaction processing services (including, without limitation, the authorization, conveyance and settlement of Transactions), and Merchant shall not use the services of any bank, corporation, entity or person other than Paymenttech for such services. Merchant shall submit to Paymenttech Transaction Data generated from all of its Transactions via electronic data transmission according to Paymenttech's formats and procedures throughout the term of this Agreement.

**1.2 Certain Payment Acceptance Policies and Prohibitions.**

- (a) Each Transaction must be evidenced by its own Transaction Receipt completed in accordance with Payment Brand Rules.
- (b) Merchant shall not require the Customer to pay the fees payable by Merchant under this Agreement.
- (c) Merchant shall never issue Refunds for Transactions by cash or a cash equivalent (e.g., check) unless required by law or permitted by the Payment Brand Rules.
- (d) Unless permitted by the Payment Brand Rules, Merchant shall not engage in any practice that unfavorably discriminates against or provides unequal treatment of any Payment Brand relative to any other Payment Brand.
- (e) Except where expressly permitted by law or the Payment Brand Rules, Merchant shall not set a dollar amount above or below which Merchant refuses to honor otherwise valid Payment Instruments.
- (f) Merchant shall examine each Payment Instrument physically presented at the point of sale to determine that the Payment Instrument presented is valid and has not expired. Merchant shall exercise reasonable diligence to determine that the authorized signature on any Payment Instrument physically presented at the point of sale corresponds to the Customer's signature on the Transaction Receipt.
- (g) With respect to any Transaction for which a Customer is not physically present at the point of sale, such as in any on-line, mail, telephone, pre-authorized or recurring Transaction, Merchant must (i) have notified Paymenttech on its Application, or otherwise obtained Paymenttech's prior written approval, of Merchant's intention to conduct such Transactions; and (ii) have appropriate procedures in place to ensure that each Transaction is made to a purchaser who actually is the Customer. Merchant acknowledges that under certain Payment Brand Rules, Merchant cannot rebut a Chargeback where the Customer disputes making the purchase and Merchant does not have an electronic record (e.g., "swiping" or "tapping" a Payment Instrument) or physical imprint of the Payment Instrument.
- (h) Merchant agrees to accept all categories of Visa and MasterCard Payment Instruments (i.e., debit and credit cards), unless Merchant has notified us on its Application or otherwise in writing of its election to accept one of the following "limited acceptance" options: (i) all Visa and MasterCard consumer credit cards and Visa and MasterCard commercial credit and debit cards; or (ii) Visa and MasterCard debit cards only (but no credit cards). Notwithstanding the election of one of the foregoing limited acceptance

options, Merchant must honor all foreign bank-issued Visa or MasterCard Payment Instruments. If Merchant elects one of the limited acceptance categories: (Y) Merchant must display appropriate signage to indicate the limited acceptance category; and (Z) Paymentech, at its option, may process any Transactions submitted to Paymentech outside of the limited acceptance category, in which case such Transactions will be assessed the applicable interchange fees plus any additional fees/surcharges assessed by Paymentech or the Payment Brands.

(j) Merchant shall not split a single Transaction into two or more Transactions to avoid or circumvent authorization limits or monitoring programs.

(k) Merchant shall not accept Payment Instruments for the purchase of scrip.

(l) Merchant shall not require a Customer to complete a postcard or similar device that includes the Customer's Payment Instrument account number, expiration date, or any other account data in plain view when mailed.

(m) Merchant shall not add any tax or surcharge to Transactions, unless applicable law expressly requires a Merchant be permitted to impose the tax or surcharge. If any tax or surcharge amount is allowed, such amount shall be included in the Transaction amount and shall not be collected separately.

(n) Merchant shall not request or use a Payment Instrument account number for any purpose except as payment for its goods or services, unless required by the Payment Brand Rules in order to support specific services offered by the Payment Brands.

**1.3 Payment Brand Rules.** Merchant agrees to comply with (a) all Payment Brand Rules as may be applicable to Merchant and in effect from time to time; and (b) such other procedures as Paymentech may from time to time prescribe for the creation or transmission of Transaction Data.

**1.4 Requirements for Certain Transactions.** As to all Transactions, Merchant represents and warrants that, to the best of its knowledge:

(a) The Transaction Data (i) represents a payment for or Refund of a bona fide sale or lease of the goods, services, or both, which Merchant has provided in the ordinary course of its business, as represented in its Application; and (ii) is not submitted on behalf of a third party.

(b) The Transaction Data represents an obligation of the Customer for the amount of the Transaction.

(c) The Transaction is not for any purpose other than payment for the current Transaction. The Transaction does not represent the collection of a dishonored check or the collection or refinancing of an existing debt. The Transaction does not represent payment for a previous Transaction or charge incurred at the Merchant or a Transaction that was previously charged back by the Customer, irrespective of Customer consent or approval.

(d) Except as specifically stated in Merchant's Application or otherwise approved in writing by Paymentech in advance, with respect to any prepayment for services or full prepayment for custom-ordered merchandise manufactured to the Cardholder's specifications, at the time Merchant accepts a Payment Instrument for any goods or services, the goods have been provided or shipped or the services actually rendered to the Customer. For approved prepayments, Merchant must advise the Customer (i) that payment is being made in advance of the shipment or provision of goods or services; and (ii) the time when shipment or provision of the goods or services is expected.

(e) The Transaction Data is free from any material alteration not authorized by the Customer.

(f) The amount charged for the Transaction is not subject to any dispute, setoff, or counterclaim.

(g) Merchant has not disbursed or advanced any cash to the Customer (except as authorized by the Payment Brand Rules) or itself or to any of its representatives, agents, or employees in connection with the Transaction, nor has Merchant accepted payment for effecting credits to a Customer.

(h) The goods or services related to each Transaction are Merchant's property or Merchant has the legal right to sell them.

(i) Merchant has made no representation or agreement for the issuance of Refunds except as stated in Merchant's Refund Policy, which has been previously submitted to Paymentech in writing as provided in Section 3, and which is available to the Customer.

(j) Any Transaction submitted to Paymentech to credit a Customer's account represents a Refund for a Transaction previously submitted to Paymentech.

(k) Merchant has no knowledge or notice of information that would lead Merchant to believe that the enforceability or collectibility of the Transaction is in any manner impaired. Merchant has originated the Transaction and Transaction Data in compliance with this Agreement, applicable laws and all applicable Payment Brand Rules.

(l) Unless specifically stated in its Application or otherwise approved in writing by Paymentech in advance, Merchant shall not accept Payment Instruments in connection with installment plans. If the Customer pays in installments or on a deferred payment plan, as previously approved by Paymentech, a Transaction Data record has been prepared separately for each installment transaction or deferred payment on the dates the Customer agreed to be charged. All installments and deferred payments, whether or not they have been submitted to Paymentech for processing, shall be deemed to be a part of the original Transaction.

(m) Merchant has not submitted any Transaction that Merchant knows or should have known to be either fraudulent, illegal, damaging to the Payment Brand(s), not authorized by the Customer or otherwise in violation of any provision of this Agreement, applicable law, or Payment Brand Rules.

(n) For recurring Transactions, Merchant must (i) obtain the Customer's consent to periodically charge the Customer on a recurring basis for the goods or services purchased; (ii) retain this permission for the duration of the recurring services and provide it upon request to Paymentech or the issuing bank of the Customer's Payment Instrument; and (iii) retain written documentation specifying the frequency of the recurring charge and the duration of time during which such charges may be made. Merchant shall not submit



any recurring transaction after receiving: (i) a cancellation notice from the Customer; or (ii) notice from Paymentech or any Payment Brand (via authorization code or otherwise) that the Payment Instrument is not to be honored. Merchant shall include in its Transaction Data the electronic indicator that the Transaction is a recurring Transaction.

**1.5 Stored Value Card Transactions.** As to all Stored Value Card Transactions, if any, in addition to any representations and warranties previously made, Merchant agrees to:

- (a) comply with all applicable laws relating to Stored Value Card Transactions, and indemnify and hold Paymentech harmless from any loss, damage, or claim relating to or arising out of any failure to comply with applicable laws in connection therewith;
- (b) be responsible for ensuring that all Stored Value Cards require activation at the point of sale;
- (c) provide immediate written notification to Paymentech of any Stored Value Card fraud losses immediately;
- (d) be solely responsible for any and all value adding and fraud losses and expenses relating to or arising from Merchant's Stored Value Card Transactions;
- (e) discourage transportation of groups of sequentially numbered gift cards;
- (f) deactivate or otherwise remove all value from Stored Value Cards that have been compromised; and
- (g) be responsible for any fraudulent transactions involving Merchant's Stored Value Cards, including, without limitation, the unauthorized activation of Stored Value Cards, reloading of existing Stored Value Cards (whether pursuant to a manual telephone order or otherwise) with additional value, or the unauthorized replication of Stored Value Cards or Stored Value Card data for fraudulent Transactions.

**2. AUTHORIZATIONS.** Merchant is required to obtain an authorization code through Paymentech, in accordance with this Agreement, for each Transaction. Merchant acknowledges that authorization of a Transaction indicates that the Payment Instrument (a) contains a valid account number; and (b) has an available credit balance sufficient for the amount of the Transaction; but, it does not constitute a representation from Paymentech, a Payment Brand, or a card issuing bank that a particular Transaction is in fact a valid or undisputed Transaction entered into by the actual Customer. Paymentech reserves the right to refuse to process any Transaction Data presented by Merchant unless it includes a proper authorization.

**3. REFUND AND ADJUSTMENT POLICIES AND PROCEDURES; PRIVACY POLICIES.**

**3.1 Refund Policy.** Merchant is required to maintain a Refund Policy and to disclose such Refund Policy to Paymentech and Customers. Any material change in Merchant's Refund Policy must be submitted to Paymentech, in writing, not less than 14 days prior to the effective date of such change. Paymentech reserves the right to refuse to process any Transactions made subject to a revised Refund Policy of which Paymentech has not been notified in advance. To the extent that Merchant operates an electronic commerce website through which Transaction Data is generated, Merchant must include its Refund Policy on the website in accordance with Payment Brand Rules.

**3.2 Procedure for Refund Transactions.** If, under Merchant's Refund Policy, Merchant allows a Refund, Merchant shall prepare and deliver to Paymentech Transaction Data reflecting any such Refund within three (3) days of approving the Customer's request for such Refund. The amount of a Refund cannot exceed the amount shown as the total on the original Transaction Data except by the exact amount required to reimburse the Customer for shipping charges that the Customer paid to return merchandise. Merchant shall not accept any payment from a Customer as consideration for issuing a Refund. Merchant shall not give cash (or cash equivalent) refunds to a Customer in connection with a Transaction, unless required by law or permitted by the Payment Brand Rules.

**3.3 Customer Data Protection Policies.** To the extent that Merchant operates an electronic commerce website through which Transaction Data is generated, in addition to any requirements otherwise set forth in this Agreement, Merchant shall display the following on its website: (a) its Customer data privacy policy; (b) a description of its security capabilities and policy for transmission of Payment Instrument Information; and (c) the address of Merchant's fixed place of business (regardless of website or server locations). Furthermore, Merchant must offer its Customers a data protection method such as 3-D Secure or Secure Sockets Layer (SSL).

**4. SETTLEMENT.**

**4.1 Submission of Transaction Data.** Failure to transmit Transaction Data to Paymentech within one (1) business day following the day that such Transaction originated could result in higher interchange fees and other costs, as well as increased Chargebacks. Unless Merchant has notified Paymentech on its Application or Paymentech has otherwise agreed in writing in advance, Merchant shall not submit Transactions for processing until (a) the Transaction is completed; (b) the goods are delivered or shipped; (c) the services are performed; or (d) Merchant has obtained the Customer's consent for a recurring Transaction. Paymentech may from time to time contact Customers to verify that they have received goods or services for which Transactions have been submitted. Paymentech reserves the right to refuse to process any Transaction Data presented by Merchant if Paymentech reasonably believes that the Transaction may be uncollectible from the Customer or was prepared in violation of any provision of this Agreement, applicable law, or the Payment Brand Rules. For all Transactions, Paymentech will submit Merchant's Transaction Data to the applicable Payment Brands.

**4.2 Merchant's Settlement Account.** In order to receive funds from Paymentech, Merchant must designate and maintain one or more accounts used primarily for business purposes at a bank that is a member of the Automated Clearing House system or the



Federal Reserve wire system (collectively referred to as "Settlement Account"). During the term of this Agreement, and thereafter until Paymentech notifies Merchant that all amounts due from Merchant under this Agreement have been paid in full, Merchant shall not close its Settlement Account without giving Paymentech at least five (5) days' prior written notice and substituting another Settlement Account. Merchant is solely liable for all fees, costs, and overdrafts associated with the Settlement Account. Merchant authorizes Paymentech to initiate electronic credit and debit entries and adjustments to the Settlement Account at any time without regard to the source of any monies in the Settlement Account, and this authority will remain in full force and effect until Paymentech notifies Merchant that all amounts due from Merchant under this Agreement have been paid in full. Paymentech will not be liable for any delays in receipt of funds or errors in Settlement Account entries caused by third parties, including, without limitation, delays or errors by the Payment Brands or Merchant's bank.

**4.3 Conveyed Transactions.** For Conveyed Transactions Merchant shall have a valid agreement in effect with the applicable Payment Brand. If Merchant submits Conveyed Transactions to Paymentech and Merchant does not have a valid agreement with the applicable Payment Brand, Paymentech may, but shall not be obligated to, submit such Transaction Data to the applicable Payment Brand and to share with them information about Merchant (from the Application or otherwise) as may be required to approve Merchant's acceptance of the Payment Brand's Payment Instrument. Payment of proceeds due Merchant for Conveyed Transactions shall be governed by the agreement Merchant has with the applicable Payment Brand, and Paymentech does not bear any responsibility for their performance thereunder, including, without limitation, the funding and settlement of Merchant's Conveyed Transactions.

**4.4 Transfer of Transaction Settlement Funds.** Subject to Section 4.3, for all Transactions, Paymentech will submit Merchant's Transaction Data to the applicable Payment Brand. Promptly after Paymentech receives funds for Settled Transactions from the Payment Brands, Paymentech will provisionally fund the Settlement Account. The proceeds payable to Merchant shall be equal to the amounts submitted by Merchant in connection with its Transaction Data minus the sum of the following: (a) all fees, charges, and other amounts described on Schedule A or that Merchant has otherwise agreed to pay; (b) all Refunds and Chargebacks; (c) all Reserve Account (as defined in Section 4.6) amounts; (d) all fees, charges, fines, assessments, penalties, or other liabilities that may be imposed on Paymentech or Member from time to time by the Payment Brands and all related costs and expenses incurred by Paymentech. Merchant agrees that all amounts are due and payable as provided in this Agreement. In the event Paymentech does not deduct such amounts from Merchant's proceeds when such amounts are due and payable, Merchant agrees to pay all such amounts to Paymentech immediately without any deduction or offset. Additionally, Paymentech may debit the Settlement Account or Merchant's Reserve Account for such amounts at any time. Furthermore, Merchant agrees to reimburse Paymentech, Member, the Payment Brands, and their respective affiliates, officers, directors, employees, agents, and sponsoring banks from any losses, liabilities, and damages of any and every kind (including, without limitation, Paymentech's costs, expenses, and reasonable attorneys' fees) arising out of any claim, complaint, or Chargeback (a) made or claimed by a Customer with respect to any Transaction or Transaction Data submitted by Merchant; (b) caused by Merchant's noncompliance with this Agreement or the Payment Brand Rules (including without limitation any breach of a representation or warranty made by Merchant or Merchant's failure to comply with the Security Standards); (c) resulting from any voluntary or involuntary bankruptcy or insolvency proceeding by or against Merchant; or (d) related to Merchant's placement or the placement of any person owning or controlling Merchant's business in one or more databases of terminated or high risk merchants maintained by the Payment Brands. The obligations provided for in this Section shall survive termination of this Agreement and do not apply to any claim or complaint to the extent they are caused by Paymentech's own negligence or willful misconduct.

**4.5 Negative Amounts.** Merchant shall maintain sufficient funds in the Settlement Account to prevent the occurrence of a negative balance. In the event that the proceeds from Merchant's Settled Transactions or the balance of Merchant's Settlement Account are not sufficient to pay amounts due under this Agreement, in addition to any other rights and remedies Paymentech may have under this Agreement, Paymentech may pursue one or more of the following options:

- (a) demand and receive immediate payment for such amounts;
- (b) debit the Settlement Account for the amount of the negative balance;
- (c) apply funds held in the Reserve Account against the negative amount; and
- (d) withhold all or some of Merchant's Settlement funds and apply them against the negative amount.

Furthermore, if the amount represented by Merchant's Transaction Data in any day is negative due to Refunds or credits being submitted by Merchant in excess of its proceeds from Transactions, Merchant shall immediately provide Paymentech with sufficient funds to prevent the occurrence of a negative balance.

**4.6 Reserve Account.** If:

- (a) there is a material breach of the Agreement by Merchant;
- (b) there is a material adverse change in Merchant's financial condition or its payment record with creditors;
- (c) Merchant materially changes its billing practices in relation to shipment of goods or fulfillment of services, or changes Refund Policies currently in place and fails to notify Paymentech in advance;
- (d) Merchant is receiving excessive Chargebacks (as defined in Section 7.2 below);
- (e) Merchant significantly alters the nature of its business or product lines;

(f) Paymentech has reasonable grounds to believe that it may be or become liable to third parties for the provisional funds extended to Merchant; or

(g) Paymentech has reasonable grounds to believe that it may be subject to any additional liabilities arising out of or relating to this Agreement, including, without limitation, any fines, fees, or penalties assessed against Paymentech or Member by any of the Payment Brands arising out of or relating to Merchant's Transactions, Chargebacks, or failure to comply with the Payment Brand Rules or the Security Standards;

then each such event may subject Paymentech to additional risk (such risk being hereinafter referred to as "Anticipated Risk"). In any such event, Paymentech may temporarily suspend or delay payments to Merchant during Paymentech's investigation of the issue and/or designate an amount of funds that Paymentech must maintain in order to protect itself against Anticipated Risks (such funds being hereinafter referred to as the "Reserve Account"), which may be funded in the same manner as provided for negative balances in Section 4.5. The Reserve Account will contain sufficient funds to cover any unbilled processing costs plus Paymentech's estimated exposure based on reasonable criteria for Chargebacks, Refunds, unshipped goods and/or unfulfilled services, and all additional Anticipated Risks. Paymentech may (but is not required to) apply funds in the Reserve Account toward, and set off any funds that would otherwise be payable to Merchant against, the satisfaction of any amounts which are or may become due from Merchant pursuant to this Agreement. Funds in the Reserve Account will be held and controlled by Paymentech, will not bear interest, and may be commingled with other funds. Effective upon Paymentech's establishment of a Reserve Account, Merchant irrevocably grants to Paymentech a security interest in any interest Merchant may now have or later acquire in any and all funds, together with the proceeds thereof, that may at any time be in the Reserve Account and that would otherwise be payable to Merchant pursuant to the terms of this Agreement. Merchant agrees to execute and deliver to Paymentech such instruments and documents that Paymentech may reasonably request to perfect and confirm the security interest in the Reserve Account funds. Upon (i) satisfaction of all of Merchant's obligations under this Agreement; and (ii) Merchant's execution of documents reasonably requested by Paymentech in connection with the return of any Reserve Account funds, Paymentech will pay to Merchant any funds then remaining in the Reserve Account.

**5. ACCOUNTING.** Paymentech will supply a detailed statement reflecting the activity of Merchant's account(s) by online access (or otherwise if agreed to by both parties) and Merchant shall ensure that any online access to such statements is secure. If Merchant believes any adjustments should be made with respect to Merchant's Settlement Account, Merchant must notify Paymentech in writing within 90 days after any such adjustment is or should have been effected.

**6. RETRIEVAL REQUESTS.** In order to comply with Retrieval Requests, Merchant shall store and retain Transaction Data and Transaction Receipts in compliance with the Payment Brand Rules, including any time frames set forth therein. Within seven (7) days (or such shorter time as the Payment Brand Rules may require) of Paymentech sending Merchant a Retrieval Request, Merchant must provide to Paymentech, via certified or overnight mail or by confirmed fax, (a) written resolution of Merchant's investigation of such Retrieval Request; and (b) legible copies of any supporting documentation requested or required by the Retrieval Request. Merchant acknowledges that failure to fulfill a Retrieval Request timely and in accordance with Payment Brand Rules may result in an irreversible Chargeback.

## **7. CHARGEBACKS.**

**7.1 Chargeback Reasons.** Merchant has full liability for all Chargebacks. Following are some of the most common reasons for Chargebacks:

- (a) Merchant fails to issue a Refund to a Customer upon the return or non-delivery of goods or services;
- (b) A required authorization/approval code was not obtained;
- (c) The Transaction Data was prepared incorrectly or fraudulently;
- (d) Paymentech did not receive Merchant's response to a Retrieval Request in accordance with Section 6;
- (e) The Customer disputes the Transaction or the authenticity of the signature on the Transaction Receipt, or claims that the Transaction is subject to a set-off, defense, or counterclaim;
- (f) The Customer refuses to make payment for a Transaction because, in the Customer's opinion, a claim or complaint has not been resolved or has been resolved in an unsatisfactory manner; or
- (g) The credit or debit card comprising the Payment Instrument was not actually presented at the time of the Transaction or Merchant failed to obtain an electronic record or physical imprint of such Payment Instrument, and the Customer denies making the purchase.

**7.2 Response to Chargebacks.** If Merchant has reason to dispute or respond to a Chargeback, then Merchant must do so by the date provided on the applicable Chargeback notice. Paymentech will not investigate or attempt to obtain a reversal or other adjustment to any Chargeback if Merchant has not timely responded to the notice.

**7.3 Excessive Chargebacks.** If Merchant is receiving an excessive amount of Chargebacks, as determined by the Payment Brands from time to time, in addition to Paymentech's other remedies under this Agreement, Paymentech may take one or more of the following actions: (a) review Merchant's internal procedures relating to acceptance of Payment Instruments and notify Merchant of new procedures Merchant should adopt in order to avoid future Chargebacks; (b) notify Merchant of a new rate Paymentech will charge to process Merchant's Chargebacks; or (iii) establish a Reserve Account. Merchant also agrees to pay any and all penalties,

fees, fines, and costs assessed against Merchant, Paymentech, and/or Member relating to Merchant's violation of this Agreement or the Payment Brand Rules with respect to Merchant's acceptance of Payment Instruments, its Transactions, or with respect to excessive Chargebacks under this Section.

**7.4 Claims of Customers.** Following a Chargeback, Merchant may resubmit applicable Transaction Data for a second presentment, but only in accordance with Payment Brand Rules. To the extent Paymentech has paid or may be called upon to pay a Chargeback or Refund for or on the account of a Customer and Merchant does not reimburse Paymentech as provided in this Agreement, then for the purpose of Paymentech obtaining reimbursement of such sums paid or anticipated to be paid, Paymentech has all of the rights and remedies of such Customer under applicable federal, state, or local laws and Merchant authorizes Paymentech to assert any and all such claims in its own name for and on behalf of any such Customer individually or all such Customers as a class.

**8. DISPLAY OF PAYMENT BRAND MARKS.** Merchant is prohibited from using the Payment Brand Marks, as defined below (sometimes referred to herein as "Marks"), other than as expressly authorized by Paymentech in writing or by the Payment Brands. Payment Brand Marks mean the brands, emblems, trademarks and/or logos that identify a Payment Brand. Additionally, Merchant shall not use the Payment Brand Marks other than to display decals, signage, advertising, and other forms depicting the Payment Brand Marks that are provided to Merchant (a) by the Payment Brands; (b) by Paymentech pursuant to this Agreement; or (c) as otherwise approved in writing by Paymentech. Merchant may use the Payment Brand Marks only to promote the services covered by the Marks by using them on decals, indoor and outdoor signs, advertising materials, and marketing materials; provided, that all such uses by Merchant must be approved by Paymentech and consistent with Payment Brand Rules. Merchant shall not use the Payment Brand Marks in any way that Customers could believe that the goods or services offered by Merchant are sponsored, endorsed, or guaranteed by the owners of the Payment Brand Marks. Merchant recognizes that it has no ownership rights in the Payment Brand Marks. Merchant shall not assign the rights to use the Payment Brand Marks to any third party. Merchant's right to use the Payment Brand Marks hereunder terminates with the termination of this Agreement.

**9. FEES; ADJUSTMENTS.**

**9.1 Schedule A.** Merchant shall pay all applicable fees for all Transactions, which shall be calculated and payable pursuant to this Agreement. Merchant acknowledges that the fees stated in Schedule A are based upon the assumption that Merchant's Transactions will qualify for certain interchange rates as determined in each case by the applicable Payment Brand. If any of Merchant's Transactions fail to qualify for such interchange rates, Paymentech shall process each such Transaction at the applicable interchange rate determined by the applicable Payment Brand. Unless otherwise indicated on Schedule A, Merchant shall be solely responsible for all communication expenses required to facilitate the transmission of all Transaction Data to Paymentech. Fees payable under this Agreement that contain a fraction of a cent will be rounded up to the next full cent.

**9.2 Price Adjustments.** Fees set forth in this Agreement are based upon Merchant's annual volume, average Transaction size, and other information provided by Merchant or contained in this Agreement. To the extent any of the foregoing proves to be inaccurate, Paymentech may modify the pricing provisions in this Agreement with 30 days' prior written notice to Merchant. Furthermore, the fees set forth on Schedule A and any additional pricing supplements may be adjusted to reflect increases by Payment Brands in interchange, assessments, or other Payment Brand fees, additional fees imposed by the Payment Brands, or increases in third party fees identified in this Agreement. Merchant shall pay all such fees, as so adjusted. Each such adjustment shall become effective upon the date the corresponding increase or additional fee is implemented by the Payment Brand or third party provider.

**10. TERMINATION.**

**10.1 Term.** This Agreement takes effect upon the earlier of (a) Paymentech's signature hereto; or (b) the date Paymentech processes Merchant's first Transaction submitted pursuant to this Agreement and continues for five (5) years from such date. Unless otherwise terminated by either party as provided in this Agreement, this Agreement will automatically renew for successive one-year terms. Either party may give notice of non-renewal of this Agreement in writing no more than 90 days and no less than 30 days prior to any expiration date.

**10.2 Events of Default.** If any of the following events shall occur (each an "Event of Default"):

- (a) any transfer or assignment in violation of Section 15.4 of this Agreement;
- (b) irregular Transactions by Merchant, excessive Chargebacks, or any other circumstances which, in Paymentech's discretion, may increase Paymentech's or Member's exposure for Merchant's Chargebacks or otherwise present an Anticipated Risk to Paymentech;
- (c) any representation or warranty in this Agreement is breached in any material respect or was or is incorrect in any material respect when made or deemed to be made;
- (d) Merchant fails in any material respect to perform any of its obligations with respect to the funding or establishing of a Reserve Account, as detailed in Section 4.6;
- (e) material breach of Section 1.1;
- (f) Merchant fails in any material respect in performance or observance of any term, covenant, condition, or agreement contained in this Agreement, including, without limitation, compliance with Payment Brand Rules and Security Standards;
- (g) a case or other proceeding shall be commenced by or against Merchant in any court of competent jurisdiction seeking relief under the Bankruptcy Code or under any other laws, domestic or foreign, relating to bankruptcy, insolvency, reorganization, winding up, or



adjustment of debts, the appointment of a trustee, receiver, custodian, liquidator, or the like of Merchant, or of all or any substantial part of the assets, domestic or foreign, of Merchant, and such case or proceeding shall continue undismissed or unstayed for a period of 60 consecutive days, or an order granting the relief requested in such case or proceeding against Merchant (including, without limitation, an order for relief under the Bankruptcy Code) shall be entered;

(h) Paymentech, in its sole reasonable discretion, deems Merchant to be financially insecure;

(i) any Payment Brand (i) notifies Paymentech or Member that it is no longer willing to accept Merchant's Transaction Data; or (ii) requires Paymentech or Member to terminate or limit this Agreement;

(j) Merchant or any person owning or controlling Merchant's business is listed in one or more databases of terminated or high risk merchants maintained by the Payment Brands;

(k) Merchant engages in conduct that creates or could tend to create harm or loss to the goodwill of any Payment Brand, Paymentech, or Member;

(l) for a period of more than 60 consecutive days, Merchant does not transmit Transaction Data to Paymentech; or

(m) Merchant fails to comply with Section 15.15.

then, the non-defaulting party may terminate this Agreement by providing the defaulting party with written notice of termination. Following receipt of such notice, and solely for termination based on subsections (c) and (f), the defaulting party shall have thirty (30) days to cure the Event of Default, and the Agreement shall terminate in the event such cure is not effected by the end of such period. No cure period shall be provided when termination is based any other Event of Default.

If this Agreement is terminated by Paymentech for Merchant's default hereunder, Merchant acknowledges that Paymentech may be required to report Merchant's business name and the names and other identification of its principals to the Payment Brands. Merchant expressly agrees and consents to such reporting in the event Merchant is terminated for any reason specified, and Merchant agrees to waive and hold Paymentech harmless from and against any and all claims which Merchant may have as a result of such reporting.

**10.3 Other Events.** In addition to the remedies above and any rights Paymentech may have under this Agreement, Paymentech may suspend the processing of some or all of Merchant's Transactions upon: (a) an occurrence of an Event of Default by Merchant; (b) receipt by Paymentech of notice that a Payment Brand intends to impose any fine or penalty as a result of excessive Chargebacks or Merchant's acts or omissions; or (c) receipt by Paymentech of objections or concerns expressed by a Payment Brand which render Paymentech's continued processing of Merchant's Transactions unduly burdensome, impractical, or risky.

**10.4 Liquidated Damages.** The parties further agree and acknowledge that if (a) Merchant terminates this Agreement prior to the expiration of the applicable term of the Agreement other than as permitted; or (b) Paymentech terminates this Agreement prior to the expiration of the applicable term of the Agreement due to Merchant's breach of this Agreement, then Paymentech will suffer a substantial injury that is difficult or impossible to accurately estimate. Accordingly, in an effort to liquidate in advance the sum that should represent the damages which would actually be sustained by Paymentech, the parties have agreed that the amount calculated in the manner specified below is a reasonable estimate of Paymentech's probable loss for which Merchant shall pay to Paymentech as liquidated damages. Any recovery pursuant to this Section 10.4 shall in no way limit Merchant's financial obligations under this Agreement, including, without limitation, Merchant's obligation with respect to fees, fines, penalties, returns, refunds, assessments, Chargebacks, and Reserve Account.

The liquidated damages amount shall be the product of (i) the Average Net Monthly Fees, as defined below; and (ii) the number of months, including any pro rata portion of a month, then remaining in the initial term or any renewal term, as applicable. The Average Net Monthly Fees shall equal one-sixth of the fees payable pursuant to this Agreement (net of interchange and assessments) during the 6 months immediately preceding the earliest of (X) the date Paymentech receives notice from Merchant of its intention to terminate this Agreement early; or (Y) the date Paymentech learns of Merchant's early termination in violation of this Agreement; or (Z) the date this Agreement is terminated early pursuant to subsection 10.2. If the Agreement has been in place less than 6 months, the Average Net Monthly Fees shall equal the average monthly fees (net of interchange and assessments) that Paymentech would have received based upon Merchant's representations on its Application, Schedule A, or otherwise. Liquidated damages shall be paid, to the extent possible, according to the same methods for collecting amounts due under Section 4.5 of this Agreement. All amounts payable hereunder by Merchant to Paymentech shall be immediately due and payable in full without demand or other notice of any kind, all of which are expressly waived by Merchant.

**10.5 Account Activity After Termination; Termination Reserve.** The provisions governing processing and settlement of Transactions, all related adjustments, fees and other amounts due from Merchant, and the resolution of any related Chargebacks, disputes, or other issues involving Transactions, will continue to apply even after termination of this Agreement, with respect to all Transactions made prior to such termination or after such termination, as described below. After termination of this Agreement for any reason whatsoever, Merchant shall continue to bear total responsibility for all Chargebacks, fees, fines, assessments, credits, and adjustments resulting from Transactions processed pursuant to this Agreement and all other amounts then due or which thereafter may become due to Paymentech under this Agreement or which may be due to Paymentech before or after such termination to either Paymentech or Member. If Merchant submits Transaction Data to Paymentech after the date of termination, Paymentech may, at its sole discretion and without waiving any of its rights or remedies under this Agreement, process such Transaction Data in accordance with and subject to all of the terms of this Agreement.

Upon notice of termination of this Agreement, Paymentech may estimate the aggregate dollar amount of anticipated Chargebacks, Refunds and Anticipated Risks that Paymentech reasonably anticipates subsequent to termination, and Merchant agrees to immediately deposit such amount in its Settlement Account, or Paymentech may withhold such amount from Merchant's settlement funds in order to establish a Reserve Account pursuant to and governed by the terms and conditions of this Agreement.

**11. INDEMNIFICATION.** Paymentech agrees to indemnify Merchant and its affiliates, officers, directors, employees, and agents from any losses, liabilities, and damages of any and every kind (including, without limitation, Merchant's costs, expenses, and reasonable attorneys' fees) arising out of any Customer complaint or Chargeback and related to (a) any failure by Paymentech to properly safeguard Payment Instrument Information; (b) Paymentech's failure to deliver funds to Merchant in accordance with Section 4.4 herein; or (c) any voluntary or involuntary bankruptcy or insolvency proceeding by or against Paymentech. This indemnification does not apply to any claim or complaint relating to Merchant's failure to resolve a payment dispute concerning merchandise or services sold by Merchant or Merchant's negligence or willful misconduct. The indemnification provided under this Section 11.1 shall survive the termination of this Agreement.

**12. TRANSACTION DATA AND PAYMENT INSTRUMENT INFORMATION; PAYMENT CARD INDUSTRY COMPLIANCE.**

**12.1** Merchant financial information, Transaction Data, and other information that Merchant provides to Paymentech may be shared by Paymentech with its affiliates. Paymentech will not otherwise disclose or use such information for any purpose whatsoever other than (i) as necessary to process Merchant's Transactions or otherwise provide services and maintain Merchant's account pursuant to this Agreement; (ii) to detect, prevent, reduce, or otherwise address fraud, security, or technical issues; (iii) to enhance or improve Paymentech's products and services generally; or (iv) as otherwise required or permitted by the Payment Brands or applicable law. Paymentech may prepare, use, and/or share with third parties, aggregated, non-personally identifiable information derived from Transaction Data of all of Paymentech's customers or specific segments of Paymentech's customers.

**12.2 Payment Card Industry Compliance.** Merchant acknowledges and understands the importance of compliance with the Security Standards, such as those relating to the storage and disclosure of Transaction Data and Payment Instrument Information. Therefore, Merchant shall exercise reasonable care to prevent disclosure or use of Payment Instrument Information, other than (a) to Merchant's agents and contractors for the purpose of assisting Merchant in completing a Transaction; (b) to the applicable Payment Brand; or (c) as specifically required by law. Furthermore, Merchant acknowledges and understands that its use of any fraud mitigation or security enhancement solution (e.g. an encryption product or service), whether provided to Merchant by Paymentech or a third party, in no way limits Merchant's obligation to comply with the Security Standards or Merchant's liabilities set forth in this Agreement.

Merchant is allowed by the Payment Brand Rules to store only certain Payment Instrument Information (currently limited to the Customer's name, Payment Instrument account number, and expiration date) and is prohibited from storing additional Payment Instrument Information, including, without limitation, any security code data, such as CVV2, CVC2, and PIN data, and any magnetic stripe track data. Merchant shall store all media containing Payment Instrument Information in an unreadable format wherever it is stored and in an area limited to selected personnel on a "need to know" basis only. Prior to either party discarding any material containing Payment Instrument Information, the party will render the account numbers unreadable in accordance with the requirements of the Security Standards. If at any time Merchant determines or suspects that Payment Instrument Information has been compromised Merchant must notify Paymentech immediately and assist in providing notification to such parties as may be required by law or Payment Brand Rules, or as Paymentech otherwise reasonably deems necessary. Merchant information may be shared by Paymentech with its affiliates and with the Payment Brands subject to the provisions of this Agreement and Payment Brand Rules.

Merchant agrees to comply with all Security Standards, as defined in Section 17. Merchant further agrees to provide Paymentech, upon its request, with such tests, scans, and assessments of Merchant's compliance with Security Standards as may from time to time be required by the Payment Brands.

Merchant must notify Paymentech of its use of any Service Provider and, to the extent required by each Payment Brand all Service Providers must be (w) compliant with all Security Standards applicable to Service Providers; and (x) registered with and/or recognized by such Payment Brand(s) as being so compliant. Merchant agrees to exercise due diligence to ensure that all Service Providers, and any other agents, business partners, contractors, or subcontractors with access to Merchant's Payment Instrument Information, maintain compliance with the Security Standards. To the extent required by each Payment Brand, all Payment Applications, or software involved in processing, storing, receiving, or transmitting of Payment Instrument Information, shall be (y) compliant with all Security Standards applicable to such Payment Applications or software; and (z) registered with and/or recognized by such Payment Brand(s) as being so compliant.

Merchant understands that failure to comply with the Payment Brand Rules, including the Security Standards, or the compromise of any Payment Instrument Information, may result in assessments, fines, and/or penalties by the Payment Brands, and Merchant agrees to indemnify and reimburse Paymentech immediately for any such assessment, fine, or penalty imposed on Paymentech or the Member and any related loss, cost, or expense incurred by Paymentech or the Member. If any Payment Brand requires a forensic examination of Merchant or any of Merchant's Service Providers, agents, business partners, contractors, or subcontractors due to a Data Compromise Event or suspected event, Merchant agrees to cooperate with such forensic examination until it is completed, including, without limitation, the engagement of an examiner acceptable to the relevant Payment Brand. Notwithstanding the



foregoing, the Payment Brands may directly, or demand that Paymentech, engage an examiner on behalf of the Merchant in order to expedite the investigation of the Data Compromise Event or suspected event. In either scenario, Merchant agrees to pay for all costs and expenses related to such forensic examination, including all of Paymentech's reasonable attorneys' fees and other costs relating to such forensic examination.

By executing this Agreement, Merchant represents that, in the event of its failure, including bankruptcy, insolvency, or other suspension of business operations, Merchant shall not sell, transfer, or disclose to third parties any materials that contain Transaction Data or Payment Instrument Information. Upon request, Merchant must return such information to Paymentech or provide Paymentech with acceptable proof of its destruction.

### **13. INFORMATION ABOUT MERCHANT AND MERCHANT'S BUSINESS.**

**13.1 Additional Financial Information.** Upon five (5) days' written notice at any time, Merchant agrees to furnish to Paymentech (a) its most recently prepared financial statements and credit information; and (b) if applicable, its three most recent filings with the SEC.

**13.2 Audit Rights.** With prior notice and during Merchant's normal business hours, Paymentech's duly authorized representatives may visit Merchant's business premises and may examine Merchant's books and records that pertain to Merchant's Transactions or Merchant's compliance with this Agreement.

**13.3 Other Information.** Merchant agrees to provide Paymentech at least 30 days' prior written notice of its intent to change current product lines or services, Merchant's trade name, or the manner in which Merchant accepts Payment Instruments. If Paymentech determines such a change is material to its relationship with Merchant, Paymentech may refuse to process Transaction Data made subsequent to the change or terminate this Agreement. Merchant agrees to provide Paymentech with prompt written notice if Merchant is the subject of any voluntary or involuntary bankruptcy or insolvency petition or proceeding. Merchant's signature on this Agreement authorizes Paymentech to perform any credit check deemed necessary with respect to Merchant.

**14. DISCLAIMER; LIMITATION OF DAMAGES.** Subject to Section 5, Paymentech will, at its own expense, correct any Transaction Data to the extent that such errors have been caused by Paymentech or by malfunctions of Paymentech's processing systems. Under no circumstances will Paymentech's financial responsibility for its failure of performance under this Agreement exceed the total fees paid to Paymentech under this Agreement (net of Payment Brand fees, third party fees, interchange, assessments, penalties, and fines) for the six months prior to the time the liability arose. **EXCEPT AS OTHERWISE PROVIDED FOR IN THIS AGREEMENT, AND EXCEPT WITH RESPECT TO MERCHANT'S FAILURE TO COMPLY WITH THE SECURITY STANDARDS, IN NO EVENT WILL ANY PARTY, ITS RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES, OR AFFILIATES, BE LIABLE FOR SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES OR ANY LOSS, THEFT, DISAPPEARANCE, OR DAMAGE TO DATA TRANSMITTED ELECTRONICALLY IN CONNECTION WITH THIS AGREEMENT. ALL PARTIES ACKNOWLEDGE THAT THIS IS AN AGREEMENT FOR COMMERCIAL SERVICES. THE UNIFORM COMMERCIAL CODE DOES NOT APPLY AND PAYMENTECH AND MEMBER HEREBY DISCLAIM ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, MADE TO MERCHANT OR ANY OTHER PERSON, REGARDING QUALITY, SUITABILITY, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR OTHERWISE (REGARDLESS OF ANY COURSE OF DEALING, CUSTOM, OR USAGE OF TRADE) OF ANY SERVICES PROVIDED UNDER THIS AGREEMENT OR ANY GOODS PROVIDED INCIDENTAL TO SUCH SERVICES.**

### **15. MISCELLANEOUS.**

**15.1 Taxes.** Unless Merchant is otherwise exempt, and, if applicable, provides a valid exemption certificate, Merchant agrees to pay any taxes imposed on the services, equipment, supplies, and other property provided under this Agreement, and Merchant authorizes Paymentech to increase the amount collected from Merchant to reflect any and all assessments or increases in the sales, use, occupational, property, lease, or other taxes imposed on such sale or lease of services, tangible property, intellectual property, equipment, supplies, and other goods purchased.

**15.2 Section Headings.** The section headings of this Agreement are for convenience only and do not define, limit, or describe the scope or intent of this Agreement.

**15.3 Assignment.** Any transfer or assignment of this Agreement by Merchant, by operation of law, merger, or otherwise without Paymentech's prior written consent is null and void. In the event of such transfer or assignment, the party to whom the Agreement was transferred or assigned shall be bound to the terms and conditions of this Agreement to the same extent as if Paymentech, Member and such assignee or transferee, as the case may be, entered into an agreement identical to this Agreement on the effective date of such transfer or assignment. Furthermore, Merchant shall indemnify and hold Paymentech and Member harmless from all liabilities, Chargebacks, expenses, costs, fees, and fines arising in connection with the submission of Transaction Data to Paymentech by such transferee or assignee. For purposes of this Agreement any transfer of voting control of Merchant or its parent, or the sale of all or substantially all of Merchant's assets, shall be considered an assignment or transfer hereof. Upon notice to Merchant, another Payment Brand member may be substituted for Member under whose sponsorship this Agreement is performed and for whom Paymentech is acting as agent hereunder. Subject to Payment Brand Rules, Paymentech may assign or transfer this Agreement and its rights and obligations hereunder and may delegate its duties hereunder, in whole or in part, to any third party, whether in connection with a

change in sponsorship, as set forth in the preceding sentence, or otherwise, without notice to or consent of Merchant. No assignee for the benefit of creditors, custodian, receiver, trustee in bankruptcy, debtor in possession, sheriff or any other officer of a court, or other person charged with taking custody of a party's assets or business, shall have any right to continue or to assume or to assign this Agreement.

**15.4 Parties; Independent Contractor.** This Agreement is binding upon and inures to the benefit of the parties and their respective heirs, administrators, representatives, and permitted successors and assigns. Merchant agrees that it is responsible for its employees' actions. In providing services to Merchant, Paymentech will not be acting in the capacity of agent, partner, or joint venturer; Paymentech is acting solely as an independent contractor.

**15.5 Representations.** Merchant represents and warrants that statements made on its Application are true as of the date of this Agreement. Merchant represents and warrants that its execution of and performance under this Agreement (a) in no way breaches, contravenes, violates, or in any manner conflicts with any of its other legal obligations, including, without limitation, its corporate charter or similar document or any agreement between Merchant and any third party or any affiliated entity; (b) has been duly authorized by all necessary action and does not require any consent or other action by or in respect of any third party; and (c) that the person signing this Agreement on behalf of Merchant is duly authorized to do so. Merchant shall perform its obligations under this Agreement in compliance with all applicable laws.

**15.6 Publicity.** Each party agrees that any other party may publicly disclose, through press releases or otherwise, the existence of the business relationship that is the subject of this Agreement. Any such disclosure may identify the parties by name but shall not, without the prior written consent of the non-disclosing party, include any of the terms of this Agreement.

**15.7 Severability.** Should any provision of this Agreement be determined to be invalid or unenforceable under any law, rule, or regulation, including any Payment Brand Rule, such determination will not affect the validity or enforceability of any other provision of this Agreement.

**15.8 Waivers.** No term or condition of this Agreement may be waived except pursuant to a written waiver executed by the party against whom such waiver is sought to be enforced.

**15.9 Entire Agreement.** The Payment Brand Rules, Application, taxpayer identification and certification documentation, and all schedules, supplements, and attachments to this Agreement are made a part of this Agreement for all purposes. This Agreement represents the entire understanding between Merchant and Paymentech with respect to the matters contained herein and supersedes any prior agreements between the parties. Merchant agrees that in entering into this Agreement it has not relied on any statement of Paymentech or its representatives. This Agreement shall prevail over any conflicting terms of any agreement governing the Settlement Account. In the event that any of the terms and conditions of this Agreement contradict or conflict with the terms and conditions of Merchant's previously submitted Request for Proposal ("RFP") or Paymentech's subsequent response to Merchant's RFP, the terms and conditions of this Agreement shall control.

**15.10 Notices.** Except as otherwise provided in this Agreement, all notices must be given in writing and either hand delivered, faxed, mailed first class, postage prepaid, sent via electronic mail transmission, or sent via overnight courier (and will be deemed to be given when so delivered or mailed) to the addresses set forth below or to such other address as either party may from time to time specify to the other party in writing.

**15.11 Governing Law; Waiver of Right to Contest Jurisdiction; Waiver of Jury Trial.** **THIS AGREEMENT WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS WITHOUT REFERENCE TO CONFLICT OF LAW PROVISIONS. ANY ACTION, PROCEEDING, LITIGATION, OR MEDIATION RELATING TO OR ARISING FROM THIS AGREEMENT MUST BE BROUGHT BY PAYMENTECH AGAINST MERCHANT AND DETERMINED EXCLUSIVELY IN THE COUNTY AND STATE OF MERCHANT'S PRINCIPAL OFFICE AS INDICATED BELOW; AND MUST BE BROUGHT BY MERCHANT AGAINST PAYMENTECH AND DETERMINED EXCLUSIVELY IN DALLAS COUNTY, DALLAS, TEXAS. THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVE ANY RIGHTS EITHER OF THEM MAY HAVE TO CONTEST JURISDICTION OR VENUE. THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVE ANY RIGHTS EITHER OF THEM MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED ON, ARISING OUT OF, OR IN CONNECTION WITH THIS AGREEMENT.**

**15.12 Force Majeure.** Neither party will be liable for delays in processing or other nonperformance caused by such events as fires, telecommunications failures, utility failures, power failures, equipment failures, labor strife, riots, war, terrorist attack, nonperformance of Paymentech's vendors or suppliers, acts of God, or other causes over which the respective party has no reasonable control, except that nothing in this Section 15.12 will affect or excuse Merchant's liabilities and obligations for Chargebacks, refunds, or unfulfilled goods and services.

**15.13 Amendment.** Except as otherwise set forth in this Agreement, the Agreement may be amended only by written agreement of the parties. Notwithstanding the foregoing, in the event the terms of this Agreement must be amended pursuant to a change required by the Payment Brand Rules or any third party with jurisdiction over the matters described herein, such amendment will be effective immediately. Merchant's electronic signature or continued submission of Transactions to Paymentech following such notice will be



deemed to be Merchant's acceptance of such amendment.

**15.14 Counterparts and Electronic Signature.** This Agreement may be executed in several counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. A signature received via facsimile or electronically via email shall be as legally binding for all purposes as an original signature.

**15.15 Merchant Taxpayer Certification and Paymentech Reporting Obligations.** Pursuant to 26 USC 6050W, Paymentech is a "payment settlement entity", obligated to collect and report certain taxpayer information to the United States Internal Revenue Service. Therefore, in conjunction with the execution of this Agreement, Merchant shall provide Paymentech with the appropriate taxpayer certification documentation, via Internal Revenue Service (IRS) Form W-9 (or the appropriate versions of Form W-8, if applicable). Merchant shall promptly notify Paymentech if there are any changes in this information. Paymentech may deduct withholding taxes, if any, from proceeds payable to Merchant or any entity that is a party to this agreement where required under Applicable Law. Paymentech may, in accordance with Applicable Law and from time to time during the term of this Agreement, request Merchant to recertify its taxpayer certification hereunder. Furthermore, Merchant shall be responsible for any penalties related to the reporting obligations of Paymentech hereunder to the extent such penalties accrue based on the actions or inactions of Merchant despite reasonable notice from Paymentech.

**16. SURVIVAL.** The provisions of Sections 4.2, 4.4, 4.5, 4.6, 5, 6, 7, 9, 10.2, 10.4, 10.5, 11, 12, 14, 15, 16 and 17 shall survive the termination of this Agreement.

## **17. DEFINITIONS.**

**"Application"** means a statement of Merchant's financial condition, a description of the characteristics of Merchant's business or organization, and related information Merchant has previously or concurrently submitted to Paymentech, including credit, financial and other business related information, to induce Paymentech to enter into this Agreement with Merchant and that has induced Paymentech to process Merchant's Transactions under the terms and conditions of this Agreement.

**"Chargeback"** means a reversal of a Transaction Merchant previously presented to Paymentech pursuant to Payment Brand Rules.

**"Conveyed Transaction"** means any Transaction conveyed to a Payment Brand for settlement by such Payment Brand directly to Merchant.

**"Customer"** means the person or entity to whom a Payment Instrument is issued or who is otherwise authorized to use a Payment Instrument.

**"Data Compromise Event"** means an occurrence that results, or could result, directly or indirectly, in the unauthorized access to or disclosure of Transaction Data and/or Payment Instrument Information.

**"Effective Date"** means the date the Agreement takes effect pursuant to Section 10.1.

**"Merchant"** means the legal entity identified in the Application and on the first and signature pages of this Agreement.

**"Member"** means JPMorgan Chase Bank, N.A. or other entity providing sponsorship to Paymentech as required by all applicable Payment Brands. Member is a principal party to this Agreement and Merchant's acceptance of Payment Brand products is extended by the Member.

**"Payment Application"** means a third party application used by merchant that is involved in the authorization or settlement of Transaction Data.

**"Payment Brand"** means any payment method provider whose payment method is accepted by Paymentech for processing, including, without limitation, Visa Inc., MasterCard International, Inc., Discover Financial Services, LLC, and other credit and debit card providers, debit network providers, gift card, and other stored value and loyalty program providers. Payment Brand also includes the Payment Card Industry Security Standards Council.

**"Payment Brand Rules"** means all bylaws, rules, programs, and regulations, as they exist from time to time, of the Payment Brands.

**"Payment Instrument"** or **"Payment Card"** means an account, or evidence of an account, authorized and established between a Customer and a Payment Brand, or representatives or members of a Payment Brand that Merchant accepts from Customers as payment for a good or service. Payment Instruments include, but are not limited to, credit and debit cards, stored value cards, loyalty cards, electronic gift cards, authorized account or access numbers, paper certificates, and credit accounts.

**"Payment Instrument Information"** means information related to a Customer or the Customer's Payment Instrument, that is obtained by Merchant from the Customer's Payment Instrument, or from the Customer in connection with his or her use of a Payment Instrument (e.g., a security code, a PIN number, credit limits, account balances, or the customer's zip code when provided as part of an address verification system). Without limiting the foregoing, such information may include a the Payment Instrument account number and expiration date, the Customer's name or date of birth, PIN data, security code data (such as CVV2 and CVC2), and any data read, scanned, imprinted, or otherwise obtained from the Payment Instrument, whether printed thereon, or magnetically, electronically, or otherwise stored thereon. For the avoidance of doubt, the data elements that constitute Payment Instrument Information shall be treated according to their corresponding meanings as "cardholder data" and "sensitive authentication data" as such terms are used in the then current PCI DSS.

**"Paymentech"** means Paymentech, LLC, a Delaware limited liability company, having its principal office at 14221 Dallas Parkway, Dallas, Texas 75254.

**"Refund"** means any refund or credit issued for any reason, including, without limitation, for a return of merchandise or cancellation of services, and any adjustment of a Transaction.

**"Refund Policy"** means a written policy with regard to Refunds.

**"Retrieval Request"** means a request for information by a Customer or Payment Brand relating to a claim or complaint concerning a Transaction.

**"Security Standards"** means all rules, regulations, standards, or guidelines adopted or required by the Payment Brands or the Payment Card Industry Security Standards Council relating to privacy, data security, and the safeguarding, disclosure, and handling of Payment Instrument Information, including, without limitation, the Payment Card Industry Data Security Standards ("PCI DSS"), Visa's Cardholder Information Security Program ("CISP"), Discover's Information Security & Compliance Program, American Express's Data Security Operating Policy, MasterCard's Site Data Protection Program ("SDP"), Visa's Payment Application Best Practices ("PABP"), the Payment Card Industry's Payment Application Data Security Standard ("PA DSS"), MasterCard's POS Terminal Security program, and the Payment Card Industry PIN Transmission Security program (PCI PTS), in each case as they may be amended from time to time.

**"Service Provider"** means any party that processes, stores, receives, transmits, or has access to Payment Instrument Information on Merchant's behalf, including, without limitation, its agents, business partners, contractors, and subcontractors.

**"Settled Transaction"** means a Transaction conducted between a Customer and Merchant utilizing a Payment Instrument in which consideration is exchanged between the Customer and Merchant for the purchase of a good or service or the Refund of such purchase and the value for such Transaction is settled by the Payment Brand through Paymentech to the Merchant.

**"Stored Value Card Transaction"** means a Transaction in which a Customer adds or redeems value to or from a stored value card, gift card, or loyalty Payment Instrument issued by or on behalf of Merchant.

**"Transaction"** means a transaction conducted between a Customer and Merchant utilizing a Payment Instrument in which consideration is exchanged between the Customer and Merchant.

**"Transaction Data"** means the written or electronic record of a Transaction, including, without limitation, an authorization code or settlement record, which is submitted to Paymentech

**"Transaction Receipt"** means an electronic or paper record of a Transaction generated upon completion of a sale or Refund, a copy of which is presented to the Customer.

**IN WITNESS WHEREOF**, the undersigned parties have duly executed this Agreement.

Agreed and Accepted by:

\_\_\_\_\_  
Merchant Legal Name

\_\_\_\_\_  
By (authorized signature)

\_\_\_\_\_  
Print Name and Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Address

\_\_\_\_\_  
City, State Zip

Agreed and Accepted by:

**PAYMENTECH, LLC** for itself and on behalf of  
**JPMORGAN CHASE BANK, N.A.**

\_\_\_\_\_  
*By*

\_\_\_\_\_  
Print Name and Title

\_\_\_\_\_  
**Date**

**Address**

\_\_\_\_\_  
City, State Zip

V14227

To Be Completed By Paymentech, LLC



Merchant Agreement Contract Number is: \_\_\_\_\_  
Merchant Processing Identification Number Will Be Provided At Time of Processing Set Up

February 17, 2016

Scott Dwelley  
Technology Control Officer  
Chase Paymentech Solutions, LLC.  
4 Northeastern Blvd.  
Salem, NH 03079  
(603) 896-8680

Chase Paymentech Solutions, LLC. engaged Trustwave to conduct an assessment to determine whether Chase Paymentech Solutions, LLC. has satisfactorily met the Payment Card Industry Data Security Standard (PCI-DSS) version 3.1. Trustwave is a PCI SSC certified Quality Security Assessor.

The following business units and platforms were in scope for this assessment:

Tampa, FL, USA; Salem, NH, USA; Dallas, TX, USA; Richardson, TX, USA; Tempe, AZ, USA;  
Toronto, Ontario, Canada; Dublin, Ireland.

Based upon the information provided by Chase Paymentech Solutions, LLC. regarding policies, procedures and technical systems that store, process or transmit cardholder data, an onsite assessment, and a vulnerability scan of these systems, Trustwave has determined that Chase Paymentech Solutions, LLC. has satisfactorily met the applicable PCI DSS requirements as of February 17, 2016.

As of the date of this letter, Chase Paymentech Solutions, LLC. remains enrolled in Trustwave's PCI DSS assessment program and will have external vulnerability scans performed on certain Chase Paymentech Solutions, LLC. systems to help detect commonly known vulnerabilities during the term of our agreement with Chase Paymentech Solutions, LLC. One of the requirements to maintain compliance is to successfully pass periodic vulnerability scans of these systems. In addition, you must also continually identify and provide to Trustwave information regarding any new system that stores, processes or transmits cardholder data, so that those systems can also be scanned.

If you have any questions concerning this matter, please do not hesitate to contact me at Compliance-QA@trustwave.com. Thank you.

Sincerely,



Digitally signed by Richard Long  
DN: cn=Richard Long, o=Trustwave,  
ou=QA, email=Compliance-  
qa@trustwave.com, c=US  
Date: 2016.02.17 16:26:06 -06'00'

Richard Long  
Director of Quality Management

Corporate Headquarters  
70 West Madison Street  
Suite 1050  
Chicago, IL 60602

Tel: +1 (312) 873 7500

EMEA Headquarters  
Westminster Tower  
3 Albert Embankment  
London, SE1 7SP

Tel: +44 (0) 845 456 9611

Asia-Pacific Headquarters  
Level 2, 48 Hunter Street  
Sydney NSW 2000  
Australia

Tel: +61 (0) 2 9236 4200

Latin America Headquarters  
Rua Cincinato Braga, 340 nº 71 - Edifício Delta Plaza  
Bairro Bela Vista - São Paulo - SP  
CEP: 01333-010 - BRASIL

Tel: +55 (11) 4064 6101



## Assumptions

Transaction related assumptions		Other assumptions	
Payment Transaction Sales Volume	\$46,691,918	Number of locations	91
Average Transaction Amount	\$70.24	Authorization / Capture %	103.1%
PIN Debit / EBT Transactions	28	Chargebacks as % of Sales Transactions	0.0130%
Conveyed Transactions	64,770	Billing Frequency	Monthly
Safetech Encrypted Items	N/A		

### Target Qualification Level:

MasterCard:	Merit III	MM3
Visa:	CPS Retail	VPSC
Discover:	PSL Retail - Core	D164

## 1. Fees applied on every transaction

**Payment Brand Interchange & any incremental discount rate %** – MasterCard, Visa and Discover assess an Interchange Rate, Interchange Fee, Assessment Fee and Network Fee for each transaction. These rates and fees will be passed through at cost. Payment Brand interchange rates can be accessed by visiting the Learning & Resources section of Chase Paymenttech's website, and selecting "Understanding Interchange".

MasterCard, Visa & Discover Interchange Rates	as set by each Payment Brand
MasterCard, Visa & Discover Incremental Discount Rate	0.0250%
PIN Debit and/or EBT Network Fees	All standard PIN Debit Network Fees will be assessed
PIN Debit – Incremental Discount Rate	N/A
JCB (Japanese Credit Bureau)	Pass-thru of Interchange Fees
Voyager Discount Rate (if settled)	N/A

### Payment Brand Assessments

MasterCard	Credit transactions < \$1000 and all Debit transactions	0.120%
	Credit transactions > \$1000	0.130%
Visa	Debit transactions	0.110%
	Credit transactions	0.130%
Discover / JCB		0.110%

### Transaction Fees

MasterCard per transaction	N/A
Visa per transaction	N/A
Discover per transaction	\$0.0300
JCB per transaction	N/A
American Express per transaction	N/A
PIN Debit per transaction	\$0.0300
EBT per transaction	N/A
Check Verification – Scan per transaction	N/A
Voyager per transaction	N/A
Wright Express per transaction	N/A
Hosted Pay Page per transaction	N/A

### Payment Brand Network Fees

	Credit	Debit
MasterCard Network Access & Brand Usage Fee (NABU)	\$0.0195	\$0.0195
Visa Auth Processor Fee (APF)	\$0.0195	\$0.0155
Discover / JCB Data Usage Fee	\$0.0185	\$0.0185

### Authorization Fees

MasterCard per authorization	\$0.0500
Visa per authorization	\$0.0500
Discover per authorization	\$0.0500
JCB per authorization	\$0.0500
American Express per authorization	\$0.0650
Voyager per authorization	N/A
Wright Express per authorization	N/A
Private Label per authorization	N/A
Dial Backup authorization surcharge	N/A

### Encryption Fees

Safetech Encryption per transaction	N/A
Safetech Tokenization per transaction	N/A

<b>Customer Initials</b>	x_____	Please initial to acknowledge page 1 of the Schedule A pricing sheet
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## 2. One Time and Periodic Fees

One Time Fees		Monthly Fees		Monthly Fees – Pass Thru	
Account Setup Fee	N/A	Monthly Service Fee <sup>1</sup>	N/A	Visa Fixed Acquirer Network Fee <sup>4</sup>	Varies
Rush Fee	N/A	Monthly Minimum Fee <sup>2</sup>	\$25.00		
Terminal Reprogram Fee	N/A	Monthly Helpdesk Fee	N/A		
PIN Debit Setup Fee	N/A	Online Reporting Tool	N/A		
PIN Pad Encryption Fee	N/A	Safetech Encryption <sup>3</sup>	N/A		
				Annual Fees	
				Annual Fee	N/A

### Internet Product: Authorize.Net

Setup fee	\$199.00	Monthly fee	\$25.00
Third Party Setup fee	N/A	Third Party Monthly fee	N/A

- 1 – Monthly service fees will be debited for the first time in the month after your account has been set up. These fees will be debited regardless of whether you are processing transactions through your account.
- 2 – We will apply the Monthly Minimum Fee only when the total amount of all processing fees (Sections 1, 3A, & 4) is less than \$25.00. If your processing fees do not reach \$25.00, we will charge the difference. For example, if processing fees total \$17.00 we would charge an additional \$8.00 to meet the \$25.00 minimum.
- 3 – If Merchant obtains point of sale device(s) from Chase Paymentech for use with Safetech Encryption, the following additional fees shall be assessed: (a) a one-time fee of \$10.90 per device; and (b) an encryption injection fee of \$34.95 per device per occurrence. These assessments are in addition to the above Safetech Encryption Fee(s). If Merchant obtains point of sale device(s) from a third party, additional fees may apply. Merchant acknowledges and understands that its use of any fraud mitigation or security enhancement solution (e.g. an encryption product or service), whether provided to merchant by Paymentech or a third party, in no way limits Merchant's obligation to comply with the Security Standards or Merchant's liabilities set forth in this Agreement.
- 4 – Visa Fixed Acquirer Network Fee is a monthly fee assessed by Visa based on Merchant Category Code (MCC), dollar volume, number of merchant locations, number of Tax IDs, and whether the physical Visa card is present or not present at the time of the transaction. This fee can vary monthly.

## 3. Per Incidence Fees

### 3A. Per Incidence Fees: Charged every time your account incurs one of the below items

Chargeback Fee	\$5.00	Charged when a cardholder or card-issuing bank formally protests a charge
Voice Authorization Fee	\$0.65	Charged when you call the Voice Authorization phone number to authorize a credit card
AVS Fee – Electronic	N/A	Charge for each electronic address verification authorization
Batch Settlement Fee	N/A	Charged for each batch of transaction(s) you submit for settlement
ACH fee	\$0.50	Charged for each ACH (transmission of funds) sent to your account
ACH Return Fee	\$25.00	Charged when Chase Paymentech is unable to debit fees from your account

### 3B. Per Request Fees: Charged every time you request one of the below items

Statement Fee (Email / ROL)	N/A	No charge if statements are sent to a valid email address or accessed by Merchant through Resource Online, as elected by Merchant on the Application.
Statement Fee (Mail)	\$5.00	Charged each month Chase Paymentech mails a statement (whether at the request of Merchant or because delivery to a valid email address has failed)
Statement Fee (Reprint)	N/A	Charged for each archived statement you request to have printed
Supplies: Billed Per Order	N/A	Charges for supply orders vary based on the items ordered
Dynamic Debit Surcharge Fee	N/A	Charged for each PIN Debit transaction routed with the Dynamic Routing product
PIN Debit Injection Fee	\$40.00	Charged when merchant elects PIN Debit processing and applies to each device not purchased from Chase Paymentech.

Statement Type:	Mail-(P)	Statement only	Statement Frequency:	Monthly
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Customer Initials	x _____	Please initial to acknowledge page 2 of the Schedule A pricing sheet
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4. Payment Brand Fees – Per Incidence		
MC Acquiring License Fee *	0.0040%	Charged on MasterCard Gross Sales volume. See additional information under Payment Brand Charges section on page 4.
MC Digital Enablement / Card Not Present Fee	0.010%	Charged on MasterCard Card Not Present Gross Sales volume.
DI Network Authorization Fee	\$0.0025	Charged by Discover on all authorizations for card transactions that are settled through the Discover Network
MC Auth Access Fee – AVS Card Present	\$0.010	Charged by MasterCard when a merchant uses the address verification service to validate a cardholder address
MC Auth Access Fee – AVS Card Not Present	\$0.010	
MC Auth Access Fee	\$0.005	Charged by MasterCard when an authorization is reversed or the authorization is provided by MasterCard if the card Issuer is not available.
MC Card Validation Code 2 Fee	\$0.0025	Charged by MasterCard when a merchant submits the Card Validation Code 2 (CVC2) in an authorization request
MC Account Status Fee (Intra-regional)	\$0.025	Charged by MasterCard or Visa when a merchant uses this service to do an inquiry that a card number is valid
MC Account Status Fee (Inter-regional)	\$0.03	
Visa Zero \$ Account Verification Fee	\$0.025	
MC Processing Integrity Fee	\$0.055	Charged when a card is authorized but not deposited and the authorization is not reversed in a timely manner
Visa Misuse of Authorization Fee	\$0.048	
Visa Zero Floor Limit Fee	\$0.10	Charged when a transaction is deposited but never authorized
Visa Transaction Integrity Fee	\$0.10	Applies to Visa Debit & Prepaid transactions that do not meet qualification criteria for Custom Payment Service (CPS) categories
MC Cross Border Assessment Fee	0.60%	Charged by MasterCard, Visa, Discover and JCB on foreign bank issued cards.
Visa International Service Assessment Fee	0.80%	
Discover / JCB International Service Fee	0.55%	
MC International Support Fee	0.85%	Additional fee charged by MasterCard, Visa, Discover and JCB on foreign bank issued cards.
Visa Interregional Acquiring Fee	0.45%	
Discover / JCB International Processing Fee	0.40%	
Visa Partial Auth Non-Participation Fee	\$0.01	Applies to Petroleum merchants using automated fuel pumps that do not support Partial Authorization
MC Global Wholesale Travel Transaction Program B2B Fee	1.57%	Applies to Travel merchants for transactions qualifying at the MasterCard Commercial Business-to-Business interchange category.

5. Other Fees			
Fee Description	Amount	Fee Description	Amount

Customer Initials	x _____	Please initial to acknowledge page 3 of the Schedule A pricing sheet
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## Equipment Swap Fees

Type	Description	Fee
Replacement Fee (swap)	In warranty - Terminals, Printers, & Pinpads <sup>1</sup>	\$50.00
Replacement Fee (swap)	Out of warranty - Terminals, Printers, & Pinpads: Replacement (swap) fees vary based on Manufacturer and Model and will fall within the specified range to the right	\$100 - \$500
Injection Fee (swap)	Safetech Encryption Injection	\$34.95
Restocking Fee	Return equipment for any reason other than repair	\$150.00
Late Fee	For all equipment returned late, or not returned	\$500.00

### 1) New Equipment Warranty timeframes

5 years – Verifone Vx520, Vx820 PIN Pad, 1000SE PIN Pad; Ingenico iCT250

1 year – all other new equipment

In warranty coverage applies only to new equipment purchased or leased from Chase Paymentech

### Amount payable upon Termination

In addition to the other amounts due under this Agreement (including without limitation, the fees and charges described in this Schedule A), you may owe an amount in the event you terminate this Agreement. Whether you will owe that amount, and how much you will owe, will be determined in accordance with Section 10 of the Merchant Agreement.

### Payment Brand Charges

Part of the fees that we charge you for processing your transactions consist of fees we pay to the Payment Brands. These charges, called "Payment Brand Charges", include, but are not limited to, interchange rates, assessments, file transmission fees, access fees, and international and cross border fees. Therefore, in addition to the rates set forth above, you also will be charged Payment Brand Charges. Payment Brand interchange rates can be accessed online by visiting the Learning & Resources section of Chase Paymentech's website, and selecting "Understanding Interchange".

Please note that Chase Paymentech may, from time to time, elect not to charge you for certain existing, new or increased Payment Brand Charges. If we elect not to charge you, we still reserve the right to begin charging you for existing, new or increased Payment Brand Charges at any time in the future, upon notice to you. No such Payment Brand Charges will be imposed retroactively.

\* MasterCard assesses the MasterCard Acquiring License Fee annually to each Acquirer based on the total annual volume of MasterCard-branded sales (excluding Maestro PIN debit volume) of its U.S. domiciled merchants. To fairly distribute the fee across all Chase Paymentech MasterCard-accepting merchants, a rate of 0.004% will be applied to all of your MasterCard gross sales transactions.

## 6. Authorized Signature

Authorized Representative Signature: Must appear on Merchant Application section 11

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

X

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Please ensure you have initialed pages 1, 2 and 3



**CITY OF AUSTIN, TEXAS**  
**Purchasing Office**  
**REQUEST FOR PROPOSAL (RFP)**  
**OFFER SHEET**

**SOLICITATION NO:** TVN0055REBID

**DATE ISSUED:** FEBRUARY 22, 2016

**COMMODITY/SERVICE DESCRIPTION:** MERCHANT CARD  
PROCESSING SERVICES

**REQUISITION NO.:** RQM 7400 15072700455

**COMMODITY CODE:** 94635

**FOR CONTRACTUAL AND TECHNICAL  
ISSUES CONTACT THE FOLLOWING  
AUTHORIZED CONTACT PERSON:**

Terry V. Nicholson  
Senior Buyer Specialist

**Phone:** (512) 974-2995

**E-Mail:** terry.nicholson@austintexas.gov

Sandy Wirtanen  
Senior Buyer

**Phone:** (512) 974-7711

**E-Mail:** sandy.wirtanen@austintexas.gov

**PRE-PROPOSAL CONFERENCE TIME AND DATE:** N/A

**LOCATION:** N/A

**PROPOSAL DUE PRIOR TO:** 2:00 PM on March 17, 2016

**PROPOSAL CLOSING TIME AND DATE:** 2:00 PM on March 17,  
2016

**LOCATION:** MUNICIPAL BUILDING, 124 W 8<sup>th</sup> STREET  
RM 308, AUSTIN, TEXAS 78701

**LIVE SOLICITATION CLOSING ONLINE:** For RFP's, only the  
names of respondents will be read aloud

For information on how to attend the Solicitation Closing online, please  
select this link:

<http://www.austintexas.gov/department/bid-opening-webinars>

**When submitting a sealed Offer and/or Compliance Plan, use the proper address for the type of service desired, as shown below:**

<b>Address for US Mail (Only)</b>	<b>Address for Fedex, UPS, Hand Delivery or Courier Service</b>
City of Austin	City of Austin, Municipal Building
Purchasing Office-Response Enclosed for Solicitation # TVN0055Rebid	Purchasing Office-Response Enclosed for Solicitation # TVN0055Rebid
P.O. Box 1088	124 W 8 <sup>th</sup> Street, Rm 308
Austin, Texas 78767-8845	Austin, Texas 78701
	Reception Phone: (512) 974-2500

**NOTE:** Offers must be received and time stamped in the Purchasing Office prior to the Due Date and Time. It is the responsibility of the Offeror to ensure that their Offer arrives at the receptionist's desk in the Purchasing Office prior to the time and date indicated. Arrival at the City's mailroom, mail terminal, or post office box will not constitute the Offer arriving on time. See Section 0200 for additional solicitation instructions.

**All Offers (including Compliance Plans) that are not submitted in a sealed envelope or container will not be considered.**

**SUBMIT 1 ORIGINAL AND 1 ELECTRONIC COPY OF YOUR RESPONSE ON FLASH DRIVE**

**\*\*\*SIGNATURE FOR SUBMITTAL REQUIRED ON PAGE 3 OF THIS DOCUMENT\*\*\***

**This solicitation is comprised of the following required sections. Please ensure to carefully read each section including those incorporated by reference. By signing this document, you are agreeing to all the items contained herein and will be bound to all terms.**

SECTION NO.	TITLE	PAGES
0100	STANDARD PURCHASE DEFINITIONS	*
0200	STANDARD SOLICITATION INSTRUCTIONS	*
0300	STANDARD PURCHASE TERMS AND CONDITIONS	*
0400	SUPPLEMENTAL PURCHASE PROVISIONS	4 - 6
0500	SCOPE OF WORK	7 - 11
0600	PROPOSAL PREPARATION INSTRUCTIONS & EVALUATION FACTORS	12 - 17
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0800	NON-DISCRIMINATION CERTIFICATION	*
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**\* Documents are hereby incorporated into this Solicitation by reference, with the same force and effect as if they were incorporated in full text. The full text versions of the \* Sections are available on the Internet at the following online address:**

[http://www.austintexas.gov/financeonline/vendor\\_connection/index.cfm#STANDARDBIDDOCUMENTS](http://www.austintexas.gov/financeonline/vendor_connection/index.cfm#STANDARDBIDDOCUMENTS)

**If you do not have access to the Internet, you may obtain a copy of these Sections from the City of Austin Purchasing Office located in the Municipal Building, 124 West 8<sup>th</sup> Street, Room #308 Austin, Texas 78701; phone (512) 974-2500. Please have the Solicitation number available so that the staff can select the proper documents. These documents can be mailed, expressed mailed, or faxed to you.**

#### **INTERESTED PARTIES DISCLOSURE**

**In addition, Section 2252.908 of the Texas Government Code requires the successful offeror to complete a Form 1295 “Certificate of Interested Parties” that is signed and notarized for a contract award requiring council authorization. The “Certificate of Interested Parties” form must be completed on the Texas Ethics Commission website, printed, signed and submitted to the City by the authorized agent of the Business Entity with acknowledgment that disclosure is made under oath and under penalty of perjury prior to final contract execution.**



[https://www.ethics.state.tx.us/whatsnew/elf\\_info\\_form1295.htm](https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm)

**The undersigned, by his/her signature, represents that he/she is submitting a binding offer and is authorized to bind the respondent to fully comply with the solicitation document contained herein. The Respondent, by submitting and signing below, acknowledges that he/she has received and read the entire document packet sections defined above including all documents incorporated by reference, and agrees to be bound by the terms therein.**

Company Name: \_\_\_\_\_

Company Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

Federal Tax ID No. \_\_\_\_\_

Printed Name of Officer or Authorized  
Representative: \_\_\_\_\_

Title: \_\_\_\_\_

Signature of Officer or Authorized  
Representative: \_\_\_\_\_

Date: \_\_\_\_\_

Email Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_

**\* Proposal response must be submitted with this Offer sheet to be considered for award**

**CITY OF AUSTIN  
PURCHASING OFFICE  
SUPPLEMENTAL PURCHASE PROVISIONS  
SOLICITATION NO. RFP TVN0055REBID**

The following Supplemental Purchasing Provisions apply to this solicitation:

1. **EXPLANATIONS OR CLARIFICATIONS:** (reference paragraph 5 in Section 0200)

All requests for explanations or clarifications must be submitted in writing to the Purchasing Office no later than 3PM, one (1) week prior to the bid opening date. Submissions may be made via email to Terry.Nicholson@austintexas.gov, or via fax at (512)974-2388.

2. **INSURANCE:** Insurance is required for this solicitation.

A. **General Requirements:** See Section 0300, Standard Purchase Terms and Conditions, paragraph 32, entitled Insurance, for general insurance requirements.

- i. The Contractor shall provide a Certificate of Insurance as verification of coverages required below to the City at the below address prior to contract execution and within 14 calendar days after written request from the City. Failure to provide the required Certificate of Insurance may subject the Offer to disqualification from consideration for award
- ii. The Contractor shall not commence work until the required insurance is obtained and until such insurance has been reviewed by the City. Approval of insurance by the City shall not relieve or decrease the liability of the Contractor hereunder and shall not be construed to be a limitation of liability on the part of the Contractor.
- iii. The Contractor must also forward a Certificate of Insurance to the City whenever a previously identified policy period has expired, or an extension option or holdover period is exercised, as verification of continuing coverage.
- iv. The Certificate of Insurance, and updates, shall be mailed to the following address:

City of Austin Purchasing Office  
P. O. Box 1088  
Austin, Texas 78767

B. **Specific Coverage Requirements:** The Contractor shall at a minimum carry insurance in the types and amounts indicated below for the duration of the Contract, including extension options and hold over periods, and during any warranty period. These insurance coverages are required minimums and are not intended to limit the responsibility or liability of the Contractor.

- i. **Worker's Compensation and Employers' Liability Insurance:** Coverage shall be consistent with statutory benefits outlined in the Texas Worker's Compensation Act (Section 401). The minimum policy limits for Employer's Liability are \$100,000 bodily injury each accident, \$500,000 bodily injury by disease policy limit and \$100,000 bodily injury by disease each employee.
  - (1) The Contractor's policy shall apply to the State of Texas and include these endorsements in favor of the City of Austin:
    - (a) Waiver of Subrogation, Form WC420304, or equivalent coverage
    - (b) Thirty (30) days Notice of Cancellation, Form WC420601, or equivalent coverage
- ii. **Commercial General Liability Insurance:** The minimum bodily injury and property damage per occurrence are \$500,000 for coverages A (Bodily Injury and Property Damage) and B (Personal and Advertising Injury).
  - (1) The policy shall contain the following provisions:
    - (a) Contractual liability coverage for liability assumed under the Contract and all other Contracts related to the project.
    - (b) Contractor/Subcontracted Work.

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- (c) Products/Completed Operations Liability for the duration of the warranty period.
      - (d) If the project involves digging or drilling provisions must be included that provide Explosion, Collapse, and/or Underground Coverage.
    - (2) The policy shall also include these endorsements in favor of the City of Austin:
      - (a) Waiver of Subrogation, Endorsement CG 2404, or equivalent coverage
      - (b) Thirty (30) days Notice of Cancellation, Endorsement CG 0205, or equivalent coverage
      - (c) The City of Austin listed as an additional insured, Endorsement CG 2010, or equivalent coverage
  - iii. **Business Automobile Liability Insurance:** The Contractor shall provide coverage for all owned, non-owned and hired vehicles with a minimum combined single limit of \$500,000 per occurrence for bodily injury and property damage. Alternate acceptable limits are \$250,000 bodily injury per person, \$500,000 bodily injury per occurrence and at least \$100,000 property damage liability per accident.
    - (1) The policy shall include these endorsements in favor of the City of Austin:
      - (a) Waiver of Subrogation, Endorsement CA0444, or equivalent coverage
      - (b) Thirty (30) days Notice of Cancellation, Endorsement CA0244, or equivalent coverage
      - (c) The City of Austin listed as an additional insured, Endorsement CA2048, or equivalent coverage.
  - C. **Endorsements:** The specific insurance coverage endorsements specified above, or their equivalents must be provided. In the event that endorsements, which are the equivalent of the required coverage, are proposed to be substituted for the required coverage, copies of the equivalent endorsements must be provided for the City's review and approval.
3. **TERM OF CONTRACT:**
- A. The Contract shall be in effect for an initial term of THIRTY SIX (36) months and may be extended thereafter for up to TWO additional 24-month periods, subject to the approval of the Contractor and the City Purchasing Officer or his designee.
  - B. Upon expiration of the initial term or period of extension, the Contractor agrees to hold over under the terms and conditions of this agreement for such a period of time as is reasonably necessary to re-solicit and/or complete the project (not to exceed 120 days unless mutually agreed on in writing).
  - C. Upon written notice to the Contractor from the City's Purchasing Officer or his designee and acceptance of the Contractor, the term of this contract shall be extended on the same terms and conditions for an additional period as indicated in paragraph A above.
  - D. Prices are firm and fixed for the duration of the Contract.
4. **QUANTITIES:** The quantities listed herein are estimates for the period of the Contract. The City reserves the right to purchase more or less of these quantities as may be required during the Contract term. Quantities will be as needed and specified by the City for each order. Unless specified in the solicitation, there are no minimum order quantities.



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PURCHASING OFFICE  
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5. **INVOICES and PAYMENT:** (reference paragraphs 12 and 13 in Section 0300)

- A. Invoices shall contain a unique invoice number and the information required in Section 0300, paragraph 12, entitled "Invoices." Invoices received without all required information cannot be processed and will be returned to the vendor.

Invoices shall be mailed to the below address:

	City of Austin
Department	Treasury Department
Attn:	Accounts Payable
Address	P.O. Box 2106
City, State Zip Code	Austin, TX 78768

6. **NON-COLLUSION, NON-CONFLICT OF INTEREST, AND ANTI-LOBBYING:**

- A. On November 10, 2011, the Austin City Council adopted Ordinance No. 20111110-052 amending Chapter 2.7, Article 6 of the City Code relating to Anti-Lobbying and Procurement. The policy defined in this Code applies to Solicitations for goods and/or services requiring City Council approval under City Charter Article VII, Section 15 (Purchase Procedures). During the No-Contact Period, Offerors or potential Offerors are prohibited from making a representation to anyone other than the Authorized Contact Person in the Solicitation as the contact for questions and comments regarding the Solicitation.
- B. If during the No-Contact Period an Offeror makes a representation to anyone other than the Authorized Contact Person for the Solicitation, the Offeror's Offer is disqualified from further consideration except as permitted in the Ordinance.
- C. If an Offeror has been disqualified under this article more than two times in a sixty (60) month period, the Purchasing Officer shall debar the Offeror from doing business with the City for a period not to exceed three (3) years, provided the Offeror is given written notice and a hearing in advance of the debarment.
- D. The City requires Offerors submitting Offers on this Solicitation to certify that the Offeror has not in any way directly or indirectly made representations to anyone other than the Authorized Contact Person during the No-Contact Period as defined in the Ordinance. The text of the City Ordinance is posted on the Internet at the following link:  
<http://www.ci.austin.tx.us/edims/document.cfm?id=161145>

7. **CONTRACT MANAGER:** The following person is designated as Contract Manager, and will act as the contact point between the City and the Contractor during the term of the Contract:

Belinda Erwin

Phone: 512-974-7885

Email: [Belinda.Erwin@austintexas.gov](mailto:Belinda.Erwin@austintexas.gov)

\*Note: The above listed Contract Manager is not the authorized Contact Person for purposes of the **NON-COLLUSION, NON-CONFLICT OF INTEREST, AND ANTI-LOBBYING Provision** of this Section; and therefore, contact with the Contract Manager is prohibited during the no contact period.

**CITY OF AUSTIN  
PURCHASING OFFICE  
SOLICITATION NO. RFP TVN0055REBID**

**MERCHANT CARD PROCESSING SERVICES  
SCOPE OF WORK**

**I. PURPOSE**

The City of Austin, herein after referred to as “City”, seeks proposals from qualified and experienced companies for credit and debit card processing services, to provide credit card equipment and processing services for the City of Austin.

Required services shall include electronic authorization by Point-of-Sale (POS) terminal or computer, capture and electronic settlement of credit and debit card transactions for a variety of credit card types and transaction types to an account designated by the City, and online internet access capability.

**II. BACKGROUND**

The City accepts credit and debit cards at various City offices and locations for a variety of goods, services or fees. There are approximately 20 City Departments at over 80 Citywide locations using approximately 110 electronic capture terminals and 10 “virtual” terminals (“Virtual” terminals are non-swipe PC or internet based point of interface wherein the clerk/teller enters in the card information, usually when the card is not present). Typically, each location will require a separate merchant ID and statement.

For calendar year 2015, the City processed approximately 700,000 credit card transactions totaling \$53 million in dollar volume. Although the City cannot guarantee any volume level, the estimated growth rate in transaction and dollar volume is expected to be 20% per year. The anticipated revenue receipts and number of transactions for each charge type accepted are detailed in Section 0610 of this solicitation.

The departments that are set up to accept credit cards payments as a form of payment are listed below along with an example of the services that the department utilizes the contract for.

- Animal Services (client services)
- Austin Convention Center Department (event fees)
- Austin Energy (Green Building Program Science Festival)
- Austin Fire Department (fire alarm permits)
- Austin Public Library (materials fines and fees)
- Austin Water Utility (rental agreements)
- Department of Aviation (parking)
- EMS Department (client services)
- Health and Human Services (health services)
- Human Resources (event registration fees)
- Municipal Court (fines, fees and charges)
- Office of Vital Records (document services)
- Parks and Recreation Department (reservations, fees, goods)
- Planning Development and Review (client services, permits)
- Transportation Department (right of way permits)
- Small and Minority Business Resources (workshop registrations)
- Watershed Protection

**CITY OF AUSTIN  
PURCHASING OFFICE  
SOLICITATION NO. RFP TVN0055REBID**

**A. Exceptions**

**The City of Austin Parking Meters and utility customer payments are not included in this solicitation.**

The City currently contracts with JP Morgan Chase Bank for the use of their "Pay Connexion" platform for online transactions, which requires the use of Paymentech for the merchant processing of these transactions. Upon the expiration of the Pay Connexion contract, the City will determine the Contractor for these services for the balance of this Merchant Card Processing Services agreement, which may require assistance from the awardee of this contract.

No specific departments or volumes are guaranteed to be in the resulting contract.

**B. Transaction Requirements**

The majority of payments are card-present, however card-not-present transactions resulting from mail-in or telephone transactions, as well as web-initiated transactions are also processed through the contract.

**C. Current Provider**

The City's current Contractor for these services is Paymentech, located in Houston, Texas.

**III. SCOPE OF WORK**

**A. Contractor Requirements**

1. Merchant processing of credit and debit card transactions has been on-going consecutively for at least the last five years.
2. Three governmental clients that are currently receiving merchant card services can be provided as references.
3. Documentation of Payment Card Industry Data Security Standards (PCI-DSS) compliance.
4. Contractor shall be certified to work with authorize.net to process the City's transactions and shall be an authorized reseller of the authorize.net gateway.
5. Contractor shall be certified to work with Plug-n-Pay gateway to process the City's transactions.

**B. Minimum Operational Requirements**

1. Settlement for the full amount of valid transactions shall be deposited through the Automated Clearing House Association (ACH) within two (2) business days following the transaction day.
2. All ACH credits and debits must reference the merchant ID number.
3. All ACH credits and debits will be made to a bank account at a financial institution designated by the City.
4. Pricing is to be based on an interchange plus dues and assessments pricing model (see Section 0610). The interchange, dues and assessments to be used are those published by the Visa and MasterCard associations on their respective websites.

**C. Types of Cards Accepted**

Contractor must be able to process all Visa and MasterCard credit and debit cards, as well as accommodate various other card types (e.g. American Express and Discover). Note, the City has a separate agreement in place with American Express, however will require that the contractor process American Express transactions and submit all valid transactions directly to American Express for settlement.

**D. Authorization**

1. All transactions submitted by the City that are valid, that satisfy applicable rules, regulations and laws will be processed.



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PURCHASING OFFICE  
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2. Electronic authorization and capture capability for transactions at the City's departments, including internet (computer) and Point of Sale (POS) terminals, 24 hours per day, 7 days per week, will be provided.

**NOTE** - the City is responsible for the installation and maintenance of all necessary telephone and Ethernet lines.

3. An initial response time of not more than 30 seconds for each transaction that shall average no more than 12 seconds for a standard transaction on a monthly average will be experienced.
4. Backup procedures for alternative authorization in the event that any location is unable to access the system via computer or POS terminal will be provided under this contract.
5. A means of alternative authorization during network downtime and a means of authorization for paper-based transactions as necessary will be provided under this contract.

**E. Settlement**

All funds received from credit and debit card sales must be deposited to an account at a financial institution designated by the City.

Settlement for the full amount of valid transactions will be electronically deposited through the Automated Clearing House Association (ACH) as soon as possible to the City's designated instructions, but no later than two (2) business days following the transaction day. This is a minimum qualification.

A separate electronic deposit for each merchant ID must be provided.

Fees, chargebacks, or any miscellaneous debits **SHALL NOT** be subtracted from the amounts deposited; these items shall appear individually and service charges shall be handled separately.

Contractor is required to have staff specifically assigned to handle error resolution, research, and provide administrative assistance with regard to settlement of funds.

**F. Chargebacks**

Chargebacks occur when a cardholder disputes a charge and asks the card-issuing bank to refuse to honor the charge. All chargebacks must be processed in accordance with the applicable card regulations governing chargebacks. Chargeback notifications from the contractor are required to be provided to the City in an expedited manner. The City will decide if chargeback notifications will be received via email, fax, or US mail for each specified merchant ID.

**G. Data Activity and Settlement Reporting**

All reports outlined below shall be provided both in writing (hard copy US mail) and via internet access.

1. Staff at each individual location shall be capable of printing a report from either the computer or POS terminal printer on a daily basis at a minimum and will include the following information about each transaction:
  - i. Operator identification number;
  - ii. Last four digits of cardholder number;
  - iii. Date and time of transaction;
  - iv. Unique trace or other unique reference number;
  - v. Card type (e.g., MasterCard/Visa/Discover/AMEX);
  - vi. Accepted/declined status;
  - vii. Sale/return code;
  - viii. Authorization/approval code;
  - ix. Dollar amount of transaction;
  - x. Settlement batch total; and
  - xi. Settlement batch detail.

**CITY OF AUSTIN  
PURCHASING OFFICE  
SOLICITATION NO. RFP TVN0055REBID**

2. Individual merchant ID statement reports shall be provided monthly to each City department for transactions processed and fees charged to the City for the previous month. At a minimum, the monthly statement report shall contain:
  - i. Detailed description of the transaction,
  - ii. Name of card brand,
  - iii. Dollar amount of transaction,
  - iv. Transaction fee amount, and
  - v. Corresponding detail concerning calculation of the transaction fee amount (e.g., interchange type assigned).
3. The Contract Manager shall be provided with a monthly summary report by merchant ID of transactions and transaction fees within 15 days of the following month. An annual report for the previous year shall be provided to the Contract Manager within 45 days of calendar year end.

The annual report shall contain the following:

  - i. Total transactions processed by merchant ID,
  - ii. Total transactions processed for the City in total,
  - iii. Total transaction fees paid by merchant ID, and
  - iv. Total transaction fees paid by the City.
4. An online reporting tool and resource is required, and its availability and functionality should be addressed and described in detail in the response. Responses must describe any additional reports that are available, providing samples as exhibits when possible. Fees associated with information/transaction reporting must be included on 0610.

**H. Monthly Billing**

1. The City will be debited for any and all merchant processing fees once per month according to individual merchant ID (one debit per merchant ID) via Automated Clearing House (ACH). The financial institution and bank account to be debited will be designated by the City. Separate ACH debits are allowable and preferred for chargebacks. Contractor is required to reference the merchant ID on all ACH debits.
2. Fees will not be netted against transaction dollar volume and monthly debits should correspond to the monthly statement as described in this RFP.
3. Contractor's relationship manager will be required to review all monthly billing statements to ensure accuracy.

**I. Service Providers/Gateways**

1. All fees associated with processing through the City's existing gateways (see Section III-B, items 4 and 5 above) should be included in 0610.
2. Authorize.net gateway accounts are to be set up by the Contractor; pricing for set up, monthly maintenance, and processing through authorize.net should be included in 0610.
3. The City reserves the right to add or delete gateways in the future.
4. Contractor is required to assist the City with future gateway implementations.

**J. Equipment and Supplies**

Most locations will process transactions via "swipe" through a card reader device. Currently the City owns and utilizes VX510 and VX520 credit card terminals.

1. Contractor shall be capable of either reprogramming/reconfiguring the City's existing capture terminals, or provide replacement authorization and capture terminals, printers, and required supplies.

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2. EMV (Europay MasterCard Visa) capable credit card terminals are required for processing of card-present transactions. Terminals must be EMV capable, level 2 capable for corporate card transactions and must have auto-close capability. Certain departments will require a PIN pad for PIN-based debit transactions. All equipment is required to be PCI DSS compliant.
3. It is the City's preference for all credit card equipment to be new. Supplies shall be delivered within 3 business days of request to the individual locations. New terminal installations shall be completed within 3 business days after receipt of the terminal by the City.
4. City locations processing transactions via an Ethernet connection will require point-to-point encryption.
5. Contractor shall provide all equipment setup and maintenance.
6. All applicable costs must be outlined in 0610.

**K. Convenience Fees**

The City does not currently charge convenience fees through the merchant processor contract. However, Contractor shall have the capability to impose a Convenience Fee as authorized by Section 339.001 of the Texas Finance Code.

**L. Security**

Contractor shall have security controls and safeguards in place to protect credit and debit card transaction information and funds. Contractor must provide a fully Payment Card Industry Data Security Standards (PCI-DSS) compliant solution. PCI compliance is to be maintained by the contractor, with any changes in compliance reported to the Contract Manager immediately. Contractor must provide current documented PCI compliance.

**M. Training/Customer Services**

1. Contractor shall provide initial training for users, and follow-up training as requested by the City. All training shall be provided at no cost to the City and shall be conducted on City premises as designated by City staff.
2. User access to a 24-hour customer service help desk must be provided. A toll-free customer service help desk number is required for departmental use if assistance is needed.

**N. Addition or Deletion of Departments, Locations, and/or Merchant IDs**

The City reserves the right to add or delete City departments, locations and/or merchant ID's as required.

**O. Implementation**

The City requires as seamless a transition as possible upon execution of the contract. To accomplish this, the Contractor shall work with the Contract Manager to develop a mutually agreeable timetable for managing and executing the transition. As part of the transition, the City requires the Contractor to actively manage the process of data transfer (if necessary) and reconciliation, communication and education, and shall supply any necessary criteria for approval by any governing regulatory authorities, including the Internal Revenue Service. Contractor shall provide weekly update reports relating to the various activities inherent in the transition.

The report should include, at minimum, the task, the parties responsible for completion of the task, the target completion date, and the current status of the task team. The City shall also receive weekly conference calls during the early phase of transition to facilitate decisions and confirm the process is effectively underway and to address any problems or issues that arise relating to data transfer, reconciliation of data, or other significant processes that may in any way impact participants. The frequency of these communications will continue through the transition process at the discretion of the City.



**CITY OF AUSTIN  
PURCHASING OFFICE  
PROPOSAL PREPARATION INSTRUCTIONS AND EVALUATION FACTORS  
SOLICITATION NUMBER: RFP TVN0055REBID  
MERCHANT CARD PROCESSING SERVICES**

**1. PROPOSAL FORMAT**

Prefacing the proposal, the Proposer shall provide an Executive Summary of one (1) page or less, which gives in brief, concise terms, a summation of the proposal. Conciseness and clarity of content are required throughout the proposal. Failure to provide complete responses to any or all of the RFP may result in the proposal being disqualified.

**Proposals should be organized according to the sections below, utilizing the bolded and underlined section headers.**

**1.1. Part I - Business Organization:**

- 1.1.1. State full name and address of your organization and identify parent company if you are a subsidiary. Provide a detailed summary organization chart. Specify the branch office or other subordinate element which will perform, or assist in performing, work herein. Indicate whether you operate as a partnership, corporation, or individual. Include the State in which incorporated or licensed to operate. Detail annual credit card processing volume for the last five years.
- 1.1.2. The Proposer must state his compliance with terms of this Request for Proposal (RFP). Provide a statement of your compliance with the City's Terms and Conditions in addition to all applicable rules and regulations of Federal, State and Local governing entities.
- 1.1.3. Identify any subcontracting contemplated and the proposed role of each subcontractor identified in relation to the services offered. This information must include, but is not limited to the following:
  - 1.1.3.1. Subcontractor's prior experience with the Contractor.
  - 1.1.3.2. Services to be provided by the subcontractor.
  - 1.1.3.3. Subcontractors experience and capabilities in providing the identified services.

**1.2. Part II – Financial Viability:**

- 1.2.1. Provide a copy of the last two (2) years of your organizations audited financial statements.

**1.3. Part III – Statement of Work, Processing Services, and Reports Provided:**

- 1.3.1. Provide acknowledgement and describe the ability to process all Visa and MasterCard credit and debit cards. Outline the basic differences among the various credit and debit card acceptance conditions and processing procedures. Confirm the ability to accommodate other card types (e.g., American Express and Discover).
- 1.3.2. Describe in detail the Respondent's ability to meet the individual reporting requirements outlined in Section III, subsection H of the Scope of Work (Section 0500).
- 1.3.3. Define in detail how each item in the Scope of Work will be provided or addressed by your Merchant Card Processing Services Program. Provide all details as required by each item in the Scope of Work and any additional information you deem necessary to evaluate your proposal on its best terms to meet the RFP Purpose, Program Description and Objective.
- 1.3.4. Describe the merchant transaction detail reports available to the City, providing samples when possible.
- 1.3.5. Provide an acknowledgment of the city's choice in designating the account and financial institution for settlement. Describe how quickly funds will be deposited, confirm the ability to have one deposit per merchant number, and confirm the ability to deposit the full value of transactions with chargebacks, miscellaneous debits and service charges handled separately.

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PROPOSAL PREPARATION INSTRUCTIONS AND EVALUATION FACTORS  
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MERCHANT CARD PROCESSING SERVICES**

- 1.3.6. Provide a list of the name(s) and telephone number(s) of person(s) specifically assigned to handle error resolution, research, and administrative assistance with regard to settlement of funds.
- 1.3.7. Describe in detail the procedures to be followed by all parties in the event of a chargeback. Procedures and conditions should be highly detailed to allow planning for the recapture of lost revenue, including notification methods and a timeline for the merchant to address/resolve these chargebacks. An option for chargeback information via electronic notification is preferred and should be addressed in the response if available. Describe in detail the chargeback process your merchant bank utilizes. Include a timeline and information concerning notification to the City of the chargeback and required response times to recapture funds. **Fees associated with chargebacks must be included in 0610.**
- 1.3.8. Describe in detail Respondents acceptance of all billing requirements outlined in Section III, subsection H of the Scope of Work.
- 1.3.9. Document whether equipment offered is new or refurbished.
- 1.3.10. Provide in detail the point-to-point encryption service available for Ethernet processing and the anticipated steps/costs to encrypt existing terminals (if applicable) must be included in 0610.
- 1.3.11. Provide a detailed description of all equipment warranty terms and conditions.
- 1.3.12. Confirm Respondent's capability to impose Convenience fees if required as detailed in Section III, subsection K of the Scope of Work.
- 1.3.13. Provide a list of gateways currently authorized by Respondent and confirm the following:
  - 1.3.13.1. Provide an acknowledgement that Respondent is certified to work with authorize.net and Plug-n-Pay gateways to process the City's transactions.
  - 1.3.13.2. Provide an acknowledgement that Respondent is an authorized reseller of the authorize.net gateway (reference Scope of Work Section III, subsection A-4).
- 1.3.14. Detail security controls and safeguards in place to protect credit and debit transaction information and funds.

**1.4. Part IV - Implementation:**

Provide confirmation of the requirements detailed in Section III, subsection O of the Scope of Work, along with a detailed assessment of all information and documentation required to complete the execution and implementation of the contract, including but not limited to the following:

- 1.4.1. Provide a detailed list of tasks, resources and information required, and a proposed timeline to implement go-live in your processing environment.
- 1.4.2. Provide all documents and/or agreements Proposer requires in order to finalize award. Be aware that no additional documentation will be accepted after the solicitation closing.
- 1.4.3. Provide a detailed description of the transition process including any systems and data conversions, departmental communications, and training proposed.

**1.5. Part V - Project Management Structure:**

Provide a general explanation and chart which specifies the implementation, training and system maintenance teams' reporting responsibilities.

**CITY OF AUSTIN  
PURCHASING OFFICE  
PROPOSAL PREPARATION INSTRUCTIONS AND EVALUATION FACTORS  
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MERCHANT CARD PROCESSING SERVICES**

**1.6. Part VI – Applicable Prior Experience:**

Describe only relevant corporate experience and individual experience for personnel who will be actively engaged in the project. Do not include corporate experience unless personnel assigned to this project actively participated. Do not include experience prior to 2005. Supply the project title, year, and reference name, title, present address, and phone number of principal person for whom prior projects were accomplished.

**1.7. Part VII – Personnel:**

1.7.1. Identify names and qualifications of key personnel who will be assigned to this project/account, including resumes. This information shall be provided in the following order:

- Name
- Title
- Company name and area of responsibility
- City and state of primary residence
- Years and/or months employed by Respondent
- Years and/or months of experience in the payment processing industry
- Direct material interest in the City of Austin account if any.

1.7.2. Provide the average rate of turnover for the firm.

**1.8. Part VIII – Cost Proposal:**

Complete the Cost Proposal Form – 0610. The Form must be submitted in 1) an electronic format (e.g., saved onto a CD ROM) as well as 2) a matching printed output signed on each page by an authorized agent. In the event that the electronic data file differs from the printed data submitted, the printed signed form will be used as the final form.

Unless otherwise instructed, format of the Cost Proposal Form should not be modified. In particular, columns are not to be added and rows should not be inserted.

Should a contract be awarded, only the itemized fee charges listed on the Cost Proposal Form will be acceptable on the monthly account statements, with the exception of services requested by the City after the contract award is made. Therefore, all fees should be clearly stated and labeled. Fees shall not be “netted” against revenue.

Proposers should be certain the completed Cost Proposal Form contains all of the fee charges that will appear on the account statements for the services required. Additional lines are provided on the Cost Proposal Form for this purpose. A reference in the proposal to an attached fee schedule or verbiage will not constitute inclusion on the Cost Proposal Form. Any inserted fee charges must be placed in the appropriate section of the Cost Proposal Form, and include a detailed definition and an estimated volume amount from information inferred from the provided estimated volume for similar items.

Fees inserted without corresponding definitions and estimated volumes will not be accepted. Additionally, the City reserves the right to edit or otherwise correct the estimated volume for fee charges that are inserted by the Proposer. If required, the City reserves the right to contact the Proposer to obtain clarification of the inserted fee category. Should the City believe it is necessary to edit or otherwise correct volumes, the Proposer’s total contract dollar amount may be changed accordingly.



**CITY OF AUSTIN  
PURCHASING OFFICE  
PROPOSAL PREPARATION INSTRUCTIONS AND EVALUATION FACTORS  
SOLICITATION NUMBER: RFP TVN0055REBID  
MERCHANT CARD PROCESSING SERVICES**

**1.9. Part IX - Non-Collusion, Non-Conflict of Interest, and Anti-Lobbying:**

- 1.9.1. The Austin City Council adopted Ordinance No. 20071206-045 on December 6, 2007, adding a new Article 6 to Chapter 2-7 of the City Code relating to Anti-Lobbying and Procurement. The policy defined in this Code applies to Solicitations for goods and/or services exceeding \$5,000. During the No-Contact Period, Offerors or potential Offerors are prohibited from making a representation to anyone other than the person designated in the Solicitation as the contact for questions and comments regarding the Solicitation.
- 1.9.2. If during the No-Contact Period an Offeror makes a representation to anyone other than the Authorized Contact Person for the Solicitation, the Offeror's Offer is disqualified from further consideration except as permitted in the Ordinance.
- 1.9.3. The City requires Offerors submitting Offers on this Solicitation to provide a signed affidavit certifying that the Offeror has not in any way directly or indirectly made representations to anyone other than the Authorized Contact Person during the No-Contact Period as defined in the Ordinance (**see the Non-Collusion, Non-Conflict of Interest, and Anti-Lobbying Affidavit included in the Solicitation**).

**1.10. Part X - Proposal Acceptance Period:**

All proposals are valid for a period of one hundred and twenty (180) calendar days subsequent to the RFP closing date unless a longer acceptance period is offered in the proposal.

**1.11. Part XI – Proprietary Information:**

All material submitted to the City becomes public property and is subject to the Texas Open Records Act upon receipt. If a Proposer does not desire proprietary information in the proposal to be disclosed, each page must be identified and marked proprietary at time of submittal. The City will, to the extent allowed by law, endeavor to protect such information from disclosure. The final decision as to what information must be disclosed, however, lies with the Texas Attorney General. Failure to identify proprietary information will result in all unmarked sections being deemed non-proprietary and available upon public request.

**1.12. Part XII – Authorized Negotiator:**

Include name, address, and telephone number of person in your organization authorized to negotiate Contract terms and render binding decisions on Contract matters.

**1.13. Part XIII – Local Business Presence:**

The City seeks opportunities for businesses in the Austin Corporate City Limits to participate on City contracts. A firm (Offeror or Subcontractor) is considered to have a Local Business Presence if the firm is headquartered in the Austin Corporate City Limits, or has a branch office located in the Austin Corporate City Limits in operation for the last five (5) years, currently employs residents of the City of Austin, Texas, and will use employees that reside in the City of Austin, Texas, to support this contract. The City defines headquarters as the administrative center where most of the important functions and full responsibility for managing and coordinating the business activities of the firm are located. The City defines branch office as a smaller, remotely located office that is separate from a firm's headquarters that offers the services requested and required under this solicitation. Points will be awarded through a combination of the Offeror's Local Business Presence and/or the Local Business Presence of their subcontractors. Evaluation of the Team's Percentage of Local Business Presence will be based on the dollar amount of work as reflected in the Offeror's MBE/WBE Compliance Plan or MBE/WBE Utilization Plan. Specify if and by which definition the Offeror or Subcontractor(s) have a local business presence.

**CITY OF AUSTIN  
PURCHASING OFFICE  
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SOLICITATION NUMBER: RFP TVN0055REBID  
MERCHANT CARD PROCESSING SERVICES**

2. **EXCEPTIONS:**

Clearly state exceptions to any portion, including but not limited to, Terms and Conditions in this RFP. Be advised that exceptions to any portion of the Solicitation may jeopardize acceptance of the Proposal.

3. **PROPOSAL PREPARATION COSTS:**

All costs directly or indirectly related to preparation of a response to the RFP or any oral presentation required to supplement and/or clarify a proposal which may be required by the City shall be the sole responsibility of the Proposer.

4. **EVALUATION FACTORS AND AWARD**

**4.1. Competitive Selection:** This procurement will comply with applicable City Policy. The successful Proposer will be selected by the City on a rational basis. Evaluation factors outlined in Section 4.2 below shall be applied to all eligible, responsive Proposers in comparing proposals and selecting the Best Offeror. Award of a Contract may be made without discussion with Proposers after proposals are received. Proposals should, therefore, be submitted on the most favorable terms.

**4.2 Evaluation Factors**

• <b>Business Organization and Financial Viability</b> - Review of Parts I and II of responses.	<b>10 Points</b>
• <b>Merchant Processing Service Program</b> - Review of Parts III and IV of responses, including: <ul style="list-style-type: none"><li>– Degree of adherence to the requirements identified in the Scope of Work</li><li>– Program detail</li><li>– Chargeback process</li><li>– Proposed reporting</li><li>– Implementation schedule</li></ul>	<b>25 Points</b>
• <b>Project Management and Personnel</b> - Review of Parts V and VII of responses, including: <ul style="list-style-type: none"><li>– Management structure</li><li>– Applicable experience of personnel assigned</li><li>– Turnover rate</li></ul>	<b>10 Points</b>
• <b>Applicable Experience and Qualifications</b> – Review of Part VI of responses, including: <ul style="list-style-type: none"><li>– Years of experience providing required services</li><li>– Governmental experience</li><li>– Experience in the co-development of process solutions</li></ul>	<b>10 Points</b>
• <b>Cost Proposal</b>	<b>35 Points</b>

**CITY OF AUSTIN  
PURCHASING OFFICE  
PROPOSAL PREPARATION INSTRUCTIONS AND EVALUATION FACTORS  
SOLICITATION NUMBER: RFP TVN0055REBID  
MERCHANT CARD PROCESSING SERVICES**

• <b>Local Presence</b>		<b>Maximum 10 Points</b>
<b><u>Team's Local Business Presence</u></b>		<b><u>Points Awarded</u></b>
Local business presence of 90% to 100%		10
Local business presence of 75% to 89%		8
Local business presence of 50% to 74%		6
Local business presence of 25% to 49%		4
Local business presence of 1% to 24%		2
No local presence		0

**4.3 Interviews/Product Demonstration (Optional) –**

The City will score proposals on the basis of the criteria listed above. The City may select a “short list” of Proposers based on those scores. “Short-listed” Proposers may be invited for interviews with the City. The City reserves the right to re-score “short-listed” proposals as a result of the interviews and to make award recommendations on that basis.



**Section 0605: Local Business Presence Identification**

A firm (Offeror or Subcontractor) is considered to have a Local Business Presence if the firm is headquartered in the Austin Corporate City Limits, or has a branch office located in the Austin Corporate City Limits in operation for the last five (5) years, currently employs residents of the City of Austin, Texas, and will use employees that reside in the City of Austin, Texas, to support this Contract. The City defines headquarters as the administrative center where most of the important functions and full responsibility for managing and coordinating the business activities of the firm are located. The City defines branch office as a smaller, remotely located office that is separate from a firm's headquarters that offers the services requested and required under this solicitation.

**OFFEROR MUST SUBMIT THE FOLLOWING INFORMATION FOR EACH LOCAL BUSINESS (INCLUDING THE OFFEROR, IF APPLICABLE) TO BE CONSIDERED FOR LOCAL PRESENCE.**

*NOTE: ALL FIRMS MUST BE IDENTIFIED ON THE MBE/WBE COMPLIANCE PLAN OR NO GOALS UTILIZATION PLAN (REFERENCE SECTION 0900).*

**\*USE ADDITIONAL PAGES AS NECESSARY\***

**OFFEROR:**

Name of Local Firm		
Physical Address		
Is your headquarters located in the Corporate City Limits? (circle one)	Yes	No
or		
Has your branch office been located in the Corporate City Limits for the last 5 years?		
Will your business be providing additional economic development opportunities created by the contract award? (e.g., hiring, or employing residents of the City of Austin or increasing tax revenue?)	Yes	No

**SUBCONTRACTOR(S):**

Name of Local Firm		
Physical Address		
Is your headquarters located in the Corporate City Limits? (circle one)	Yes	No
or		
Has your branch office been located in the Corporate City Limits for the last 5 years	Yes	No

Will your business be providing additional economic development opportunities created by the contract award? (e.g., hiring, or employing residents of the City of Austin or increasing tax revenue?)	Yes	No

**SUBCONTRACTOR(S):**

Name of Local Firm		
Physical Address		
Is your headquarters located in the Corporate City Limits? (circle one)	Yes	No
or		
Has your branch office been located in the Corporate City Limits for the last 5 years	Yes	No
Will your business be providing additional economic development opportunities created by the contract award? (e.g., hiring, or employing residents of the City of Austin or increasing tax revenue?)	Yes	No

**Section 0700: Reference Sheet**

Responding Company Name \_\_\_\_\_

The City at its discretion may check references in order to determine the Offeror's experience and ability to provide the products and/or services described in this Solicitation. The Offeror shall furnish at least 3 complete and verifiable references. References shall consist of customers to whom the offeror has provided the same or similar services within the last 5 years. References shall indicate a record of positive past performance.

1. Company's Name \_\_\_\_\_  
Name and Title of Contact \_\_\_\_\_  
Project Name \_\_\_\_\_  
Present Address \_\_\_\_\_  
City, State, Zip Code \_\_\_\_\_  
Telephone Number (\_\_\_\_)\_\_\_\_\_ Fax Number (\_\_\_\_)\_\_\_\_\_  
Email Address \_\_\_\_\_
  
2. Company's Name \_\_\_\_\_  
Name and Title of Contact \_\_\_\_\_  
Project Name \_\_\_\_\_  
Present Address \_\_\_\_\_  
City, State, Zip Code \_\_\_\_\_  
Telephone Number (\_\_\_\_)\_\_\_\_\_ Fax Number (\_\_\_\_)\_\_\_\_\_  
Email Address \_\_\_\_\_
  
3. Company's Name \_\_\_\_\_  
Name and Title of Contact \_\_\_\_\_  
Project Name \_\_\_\_\_  
Present Address \_\_\_\_\_  
City, State, Zip Code \_\_\_\_\_  
Telephone Number (\_\_\_\_)\_\_\_\_\_ Fax Number (\_\_\_\_)\_\_\_\_\_  
Email Address \_\_\_\_\_



**Section 0835: Non-Resident Bidder Provisions**

Company Name \_\_\_\_\_

- A. Bidder must answer the following questions in accordance with Vernon's Texas Statutes and Codes Annotated Government Code 2252.002, as amended:

Is the Bidder that is making and submitting this Bid a "Resident Bidder" or a "non-resident Bidder"?

Answer: \_\_\_\_\_

- (1) Texas Resident Bidder- A Bidder whose principle place of business is in Texas and includes a Contractor whose ultimate parent company or majority owner has its principal place of business in Texas.  
(2) Nonresident Bidder- A Bidder who is not a Texas Resident Bidder.

- B. If the Bidder is a "Nonresident Bidder" does the state, in which the Nonresident Bidder's principal place of business is located, have a law requiring a Nonresident Bidder of that state to bid a certain amount or percentage under the Bid of a Resident Bidder of that state in order for the nonresident Bidder of that state to be awarded a Contract on such bid in said state?

Answer: \_\_\_\_\_ Which State: \_\_\_\_\_

- C. If the answer to Question B is "yes", then what amount or percentage must a Texas Resident Bidder bid under the bid price of a Resident Bidder of that state in order to be awarded a Contract on such bid in said state?

Answer: \_\_\_\_\_

**Section 0900: Minority- and Women-Owned Business Enterprise (MBE/WBE) Procurement Program No Goals Form**

SOLICITATION NUMBER:	RFP TVN0055Rebid
PROJECT NAME:	Merchant Card Processing Services

**The City of Austin has determined that no goals are appropriate for this project.** Even though goals were not assigned for this solicitation, the Bidder/Proposer is required to comply with the City's MBE/WBE Procurement Program, if areas of subcontracting are identified.

If any service is needed to perform the Contract and the Bidder/Proposer does not perform the service with its own workforce or if supplies or materials are required and the Bidder/Proposer does not have the supplies or materials in its inventory, the Bidder/Proposer shall contact the Small and Minority Business Resources Department (SMBR) at (512) 974-7600 to obtain a list of MBE and WBE firms available to perform the service or provide the supplies or materials. The Bidder/Proposer must also make a Good Faith Effort to use available MBE and WBE firms. Good Faith Efforts include but are not limited to contacting the listed MBE and WBE firms to solicit their interest in performing on the Contract, using MBE and WBE firms that have shown an interest, meet qualifications, and are competitive in the market; and documenting the results of the contacts.

**Will subcontractors or sub-consultants or suppliers be used to perform portions of this Contract?**

No \_\_\_\_\_ If no, please sign the No Goals Form and submit it with your Bid/Proposal in a sealed envelope

Yes \_\_\_\_\_ If yes, please contact SMBR to obtain further instructions and an availability list and perform Good Faith Efforts. Complete and submit the No Goals Form and the No Goals Utilization Plan with your Bid/Proposal in a sealed envelope.

**After Contract award, if your firm subcontracts any portion of the Contract, it is a requirement to complete Good Faith Efforts and the No Goals Utilization Plan, listing any subcontractor, sub-consultant, or supplier. Return the completed Plan to the Project Manager or the Contract Manager.**

I understand that even though goals were not assigned, I must comply with the City's MBE/WBE Procurement Program if subcontracting areas are identified. I agree that this No Goals Form and No Goals Utilization Plan shall become a part of my Contract with the City of Austin.	
_____ Company Name	
_____ Name and Title of Authorized Representative (Print or Type)	
_____ Signature	_____ Date

**Minority- and Women-Owned Business Enterprise (MBE/WBE) Procurement Program No Goals Utilization Plan**  
*(Please duplicate as needed)*

SOLICITATION NUMBER:	RFP TVN0055Rebid
PROJECT NAME:	Merchant Card Processing Services

**PRIME CONTRACTOR / CONSULTANT COMPANY INFORMATION**

Name of Contractor/Consultant			
Address			
City, State Zip			
Phone Number		Fax Number	
Name of Contact Person			
Is Company City certified?	Yes <input type="checkbox"/> No <input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> MBE/WBE Joint Venture <input type="checkbox"/>		

I certify that the information included in this No Goals Utilization Plan is true and complete to the best of my knowledge and belief. I further understand and agree that the information in this document shall become part of my Contract with the City of Austin.

\_\_\_\_\_  
**Name and Title of Authorized Representative (Print or Type)**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

Provide a list of all proposed subcontractors / sub-consultants / suppliers that will be used in the performance of this Contract.  
**Attach Good Faith Effort documentation if non MBE/WBE firms will be used.**

<b>Sub-Contractor / Sub-Consultant</b>			
City of Austin Certified	MBE <input type="checkbox"/> WBE <input type="checkbox"/> Ethics / Gender Code: <input type="checkbox"/> Non-Certified		
Vendor ID Code			
Contact Person		Phone Number	
Amount of Subcontract	\$		
List commodity codes & description of services			

<b>Sub-Contractor / Sub-Consultant</b>			
City of Austin Certified	MBE <input type="checkbox"/> WBE <input type="checkbox"/> Ethics / Gender Code: <input type="checkbox"/> Non-Certified		
Vendor ID Code			
Contact Person		Phone Number	
Amount of Subcontract	\$		
List commodity codes & description of services			

<b>FOR SMALL AND MINORITY BUSINESS RESOURCES DEPARTMENT USE ONLY:</b>	
Having reviewed this plan, I acknowledge that the proposer (HAS) or (HAS NOT) complied with City Code Chapter 2-9A/B/C/D, as amended.	
Reviewing Counselor _____ Date _____	Director/Deputy Director _____ Date _____





**ADDENDUM  
MERCHANT CARD PROCESSING SERVICES  
CITY OF AUSTIN, TEXAS**

**Solicitation: RFP TVN0055REBID**

**Addendum No: 1**

**Date of Addendum:**

**3/7/2016**

This addendum is to incorporate the following changes to the above referenced solicitation:

**I. Clarifications:**

- 1) Section 0610 Cost Sheet has been replaced with Section 0610 Cost Sheet REVISED. Proposers must use the revised sheet when submitting their proposal.

**II. Questions and Answers:**

**Q1: Your RFP TVN0055REBID states in Section 0500, page 5, that certain departments have external PIN Pads. How many do you require, and where do I show this in the spreadsheet 0610? A PIN Pad is a separate piece of equipment.**

**A1:** Currently, none of the City departments utilize a PIN Pad, however, the City wants the capability to add PIN Pads in the future. If the PIN Pad has an ongoing fee, the Proposer should include the fee on the 0610 Cost Sheet under 6.0 Other Fees. If the PIN Pad has a one-time fee at implementation, the Proposer should include the fee on the 0610 Cost Sheet under 11.0 Other Start-up/Implementation Charges.

**Q2: Of the 110 terminals needed, how many are Ethernet IP and how many are Dialup? For Ethernet IP, are IP addresses Static or Dynamic? For Dialup, is there a "9" required for those machines to obtain an outside line?**

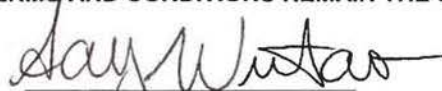
**A2:** Approximately 30 terminals utilize an Ethernet connection. Proposer should explain both Static and Dynamic Ethernet IP addresses as well as include pricing differences on the 0610 Cost Sheet. In regards to the remaining 80 terminals that have a direct analog connection that may require a "9" to obtain an outside line, this information is not available at this time.

**Q3: The spreadsheet on page 1 requires we do not include Interchange and Dues/Assessments imposed by Card Brands. There are card brand fees per swipe that are separate from the flat capture fee. Where should these be included?**

**A3:** Any pass through fees from the card brand should not be included.

**III. ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.**

APPROVED BY:

  
Sandy Wirtanen, Senior Buyer  
Purchasing Office, 512-974-7711

Date:

3/7/16

ACKNOWLEDGED BY:

\_\_\_\_\_  
Name

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Date

**RETURN ONE COPY OF THIS ADDENDUM TO THE PURCHASING OFFICE, CITY OF AUSTIN, WITH YOUR RESPONSE OR PRIOR TO THE SOLICITATION CLOSING DATE. FAILURE TO DO SO MAY CONSTITUTE GROUNDS FOR REJECTION.**

**CITY OF AUSTIN  
PURCHASING OFFICE  
MERCHANT CARD PROCESSING  
COST SHEET**

**NOTE: This form must be completed in its entirety and signed in ink below. Respondents should be certain that the completed form contains ALL of the fees that will appear on the monthly statement for the services required. Enter fee/rate proposal in column L.**

**Recurring Charges**

**1.0 Visa, MasterCard, and Discover Merchant Processing Fees**

\* Rates provided should include all merchant processing costs, with the exception of Interchange and Dues/Assessments.

**Do not include Interchange and Dues/Assessments imposed by Card Brands.**

Sales Percentage Charge by Card Type	Estimated # Items per year	Estimated \$ Volume per year	Rate	Total Cost per year
Visa		31,900,000.00	x _____ =	\$0
MasterCard		12,250,000.00	x _____ =	\$0
Discover		1,050,000.00	x _____ =	\$0
<b>Projected Total</b>		<b>45,200,000.00</b>		<b>\$0</b>
<b>Per Item Capture Charge by Card Type</b>				
Visa	482,000		x _____ =	\$0
MasterCard	160,000		x _____ =	\$0
Discover	13,850		x _____ =	\$0
<b>Projected Total</b>	<b>655,850</b>			<b>\$0</b>

**2.0 AMEX Fees**

\* Please note that the City has an a contract in place with AMEX, the fees to be documented for AMEX should only include those for processing of American Express transactions that will be submitted to AMEX for settlement.

<b>Sales Percentage Charge by Card Type</b>		7,650,000.00	x _____ =	\$0
<b>Per Item Capture Charge by Card Type</b>	64,400		x _____ =	\$0
<b>Projected Totals</b>				<b>\$0</b>

**3.0 Gateways**

Authorize.net	200,000		x _____ =	\$0
Authorize.net Monthly Gateway Fee (5 MIDs/month)	60		x _____ =	\$0
Plug-n-Pay	175,000		x _____ =	\$0

<b>4.0 Chargeback Processing</b>	120		x _____ =	\$0
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<b>5.0 Statement Fee (90 merchant #s/month)</b>	1080		x _____ =	\$0
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**6.0 Other Fees - (List)\***

\* List all other recurring fees that will be charged.

_____	_____		x _____ =	\$0
_____	_____		x _____ =	\$0
_____	_____		x _____ =	\$0
_____	_____		x _____ =	\$0
_____	_____		x _____ =	\$0
_____	_____		x _____ =	\$0
_____	_____		x _____ =	\$0
<b>Projected Totals</b>				<b>\$0</b>

<b>TOTAL RECURRING FEES</b>				<b>\$0</b>
-----------------------------	--	--	--	------------

CITY OF AUSTIN  
PURCHASING OFFICE  
MERCHANT CARD PROCESSING  
COST SHEET

Credit Card Equipment/Terminals

7.0 Equipment Purchase

Quantity

Authorization Terminals 110 x \_\_\_\_\_ = \_\_\_\_\_ \$0

Make/Model # \_\_\_\_\_

Make/Model # \_\_\_\_\_

Make/Model # \_\_\_\_\_

TOTAL EQUIPMENT PURCHASES

\_\_\_\_\_ \$0

Start-Up/Implementation Charges

Quantity Price Total Cost

8.0 Programming Fee

\_\_\_\_\_ x \_\_\_\_\_ = \_\_\_\_\_ \$0

9.0 Merchant Set-up

\_\_\_\_\_ x \_\_\_\_\_ = \_\_\_\_\_ \$0

10.0 Authorize.net Set-up

5 x \_\_\_\_\_ = \_\_\_\_\_ \$0

11.0 Other Start-Up/Implementation Charges (List)\*

\* List all other Start-Up/Implementation charges that will be assessed.

\_\_\_\_\_ x \_\_\_\_\_ = \_\_\_\_\_ \$0

\_\_\_\_\_ x \_\_\_\_\_ = \_\_\_\_\_ \$0

\_\_\_\_\_ x \_\_\_\_\_ = \_\_\_\_\_ \$0

\_\_\_\_\_ x \_\_\_\_\_ = \_\_\_\_\_ \$0

TOTAL START-UP / IMPLEMENTATION CHARGES

\_\_\_\_\_ \$0

TOTAL FEES (INCLUDING RECURRING, EQUIPMENT PURCHASES, IMPLEMENTATION)

\_\_\_\_\_ \$0

Submitted and Authorized By:

\_\_\_\_\_  
Signature of Authorized Agent

Typed/printed name: \_\_\_\_\_





**ADDENDUM  
CITY OF AUSTIN, TEXAS**

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**Solicitation: TVN0055Rebid**

**Addendum No: 2**

**Date of Addendum: March 14, 2016**

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This addendum is to incorporate the following changes to the above referenced solicitation:

**I. Questions:**

**Q4:** can get an copy of one of the city merchant statements, so we can give you an accurate quote for our services?

**A4:** A sample merchant statement is attached to this addendum.

**II. Extension:** The proposal due date is hereby extended until Tuesday, March 22, 2016 at 2:00 pm.

**III. ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.**

APPROVED BY: \_\_\_\_\_

Terry V. Nicholson, Sr. Buyer Specialist  
Purchasing Office, 512-974-2995

3/14/16  
Date

ACKNOWLEDGED BY:

\_\_\_\_\_  
Name

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Date

**RETURN ONE COPY OF THIS ADDENDUM TO THE PURCHASING OFFICE, CITY OF AUSTIN, WITH YOUR RESPONSE OR PRIOR TO THE SOLICIATION CLOSING DATE. FAILURE TO DO SO MAY CONSTITUTE GROUNDS FOR REJECTION.**



Statement Period: 01-Jan-2016 - 31-Jan-2016

Merchant Number:

### Deposit Summary

Post Date	Number of Items	Total Deposit Amount	Deposit Adjustments	Net Deposits	Funded	Totals By Card Type		Totals By Card Type		Totals By Card Type		Totals By Card Type	
1/4	22	\$ 736.00	\$ 0.00	\$ 736.00	\$ 713.00	MC*	\$ 184.00	VISA*	\$ 529.00	DSCV*	\$ 0.00	AMEX	\$ 23.00
						JCB	\$ 0.00						
	1	\$ 92.00	\$ 0.00	\$ 92.00	\$ 92.00	MC*	\$ 0.00	VISA*	\$ 92.00	DSCV*	\$ 0.00	AMEX	\$ 0.00
						JCB	\$ 0.00						
	2	\$ 46.00	\$ 0.00	\$ 46.00	\$ 46.00	MC*	\$ 0.00	VISA*	\$ 46.00	DSCV*	\$ 0.00	AMEX	\$ 0.00
						JCB	\$ 0.00						
	22	\$ 736.00	\$ 0.00	\$ 736.00	\$ 690.00	MC*	\$ 299.00	VISA*	\$ 391.00	DSCV*	\$ 0.00	AMEX	\$ 46.00
						JCB	\$ 0.00						
1/4	Total	\$ 1,610.00	\$ 0.00	\$ 1,610.00	\$ 1,541.00	MC*	\$ 483.00	VISA*	\$ 1,058.00	DSCV*	\$ 0.00	AMEX	\$ 69.00
						JCB	\$ 0.00						
1/5	17	\$ 558.00	\$ 0.00	\$ 558.00	\$ 558.00	MC*	\$ 69.00	VISA*	\$ 489.00	DSCV*	\$ 0.00	AMEX	\$ 0.00
						JCB	\$ 0.00						
	2	\$ 46.00	\$ 0.00	\$ 46.00	\$ 46.00	MC*	\$ 23.00	VISA*	\$ 23.00	DSCV*	\$ 0.00	AMEX	\$ 0.00
						JCB	\$ 0.00						
	1	\$ 23.00	\$ 0.00	\$ 23.00	\$ 23.00	MC*	\$ 23.00	VISA*	\$ 0.00	DSCV*	\$ 0.00	AMEX	\$ 0.00
						JCB	\$ 0.00						
	12	\$ 322.00	\$ 0.00	\$ 322.00	\$ 322.00	MC*	\$ 115.00	VISA*	\$ 207.00	DSCV*	\$ 0.00	AMEX	\$ 0.00
						JCB	\$ 0.00						
1/5	Total	\$ 949.00	\$ 0.00	\$ 949.00	\$ 949.00	MC*	\$ 230.00	VISA*	\$ 719.00	DSCV*	\$ 0.00	AMEX	\$ 0.00
						JCB	\$ 0.00						
1/6	14	\$ 552.00	\$ 0.00	\$ 552.00	\$ 515.41	MC*	\$ 161.00	VISA*	\$ 354.41	DSCV*	\$ 0.00	AMEX	\$ 36.59
						JCB	\$ 0.00						
	3	\$ 138.00	\$ 0.00	\$ 138.00	\$ 138.00	MC*	\$ 0.00	VISA*	\$ 138.00	DSCV*	\$ 0.00	AMEX	\$ 0.00
						JCB	\$ 0.00						
	19	\$ 528.00	\$ 0.00	\$ 528.00	\$ 459.00	MC*	\$ 92.00	VISA*	\$ 344.00	DSCV*	\$ 23.00	AMEX	\$ 69.00
						JCB	\$ 0.00						
1/6	Total	\$ 1,218.00	\$ 0.00	\$ 1,218.00	\$ 1,112.41	MC*	\$ 253.00	VISA*	\$ 836.41	DSCV*	\$ 23.00	AMEX	\$ 105.59
						JCB	\$ 0.00						
1/7	28	\$ 805.00	\$ 0.00	\$ 805.00	\$ 805.00	MC*	\$ 92.00	VISA*	\$ 713.00	DSCV*	\$ 0.00	AMEX	\$ 0.00
						JCB	\$ 0.00						

\*Funded

† Bank account number

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† All amounts in US Dollars

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**Deposit Summary**

Post Date	Number of Items	Total Deposit Amount	Deposit Adjustments	Net Deposits	Funded	Totals By Card Type		Totals By Card Type		Totals By Card Type		Totals By Card Type	
1/7	3	\$ 69.00	\$ 0.00	\$ 69.00	\$ 69.00	MC*	\$ 23.00	VISA*	\$ 46.00	DSCV*	\$ 0.00	AMEX	\$ 0.00
						JCB	\$ 0.00						
	6	\$ 230.00	\$ 0.00	\$ 230.00	\$ 230.00	MC*	\$ 0.00	VISA*	\$ 230.00	DSCV*	\$ 0.00	AMEX	\$ 0.00
						JCB	\$ 0.00						
	21	\$ 672.00	\$ 0.00	\$ 672.00	\$ 672.00	MC*	\$ 184.00	VISA*	\$ 488.00	DSCV*	\$ 0.00	AMEX	\$ 0.00
						JCB	\$ 0.00						
1/7 Total	58	\$ 1,776.00	\$ 0.00	\$ 1,776.00	\$ 1,776.00	MC*	\$ 299.00	VISA*	\$ 1,477.00	DSCV*	\$ 0.00	AMEX	\$ 0.00
						JCB	\$ 0.00						
1/8	22	\$ 598.00	\$ 0.00	\$ 598.00	\$ 598.00	MC*	\$ 69.00	VISA*	\$ 483.00	DSCV*	\$ 46.00	AMEX	\$ 0.00
						JCB	\$ 0.00						
	7	\$ 322.00	\$ 0.00	\$ 322.00	\$ 322.00	MC*	\$ 115.00	VISA*	\$ 207.00	DSCV*	\$ 0.00	AMEX	\$ 0.00
						JCB	\$ 0.00						
	33	\$ 943.00	\$ 0.00	\$ 943.00	\$ 943.00	MC*	\$ 207.00	VISA*	\$ 736.00	DSCV*	\$ 0.00	AMEX	\$ 0.00
						JCB	\$ 0.00						
1/8 Total	62	\$ 1,863.00	\$ 0.00	\$ 1,863.00	\$ 1,863.00	MC*	\$ 391.00	VISA*	\$ 1,426.00	DSCV*	\$ 46.00	AMEX	\$ 0.00
						JCB	\$ 0.00						
1/11	16	\$ 412.00	\$ 0.00	\$ 412.00	\$ 412.00	MC*	\$ 159.00	VISA*	\$ 253.00	DSCV*	\$ 0.00	AMEX	\$ 0.00
						JCB	\$ 0.00						
	2	\$ 92.00	\$ 0.00	\$ 92.00	\$ 92.00	MC*	\$ 0.00	VISA*	\$ 92.00	DSCV*	\$ 0.00	AMEX	\$ 0.00
						JCB	\$ 0.00						
	1	\$ 46.00	\$ 0.00	\$ 46.00	\$ 46.00	MC*	\$ 0.00	VISA*	\$ 46.00	DSCV*	\$ 0.00	AMEX	\$ 0.00
						JCB	\$ 0.00						
	30	\$ 1,031.00	\$ 0.00	\$ 1,031.00	\$ 1,031.00	MC*	\$ 299.00	VISA*	\$ 732.00	DSCV*	\$ 0.00	AMEX	\$ 0.00
						JCB	\$ 0.00						
1/11 Total	49	\$ 1,581.00	\$ 0.00	\$ 1,581.00	\$ 1,581.00	MC*	\$ 458.00	VISA*	\$ 1,123.00	DSCV*	\$ 0.00	AMEX	\$ 0.00
						JCB	\$ 0.00						
1/12	12	\$ 362.00	\$ 0.00	\$ 362.00	\$ 305.00	MC*	\$ 46.00	VISA*	\$ 259.00	DSCV*	\$ 0.00	AMEX	\$ 57.00
						JCB	\$ 0.00						
	3	\$ 69.00	\$ 0.00	\$ 69.00	\$ 69.00	MC*	\$ 23.00	VISA*	\$ 46.00	DSCV*	\$ 0.00	AMEX	\$ 0.00
						JCB	\$ 0.00						

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Statement Period: 01-Jan-2016 - 31-Jan-2016

Merchant Number:

### Deposit Summary

Post Date	Number of Items	Total Deposit Amount	Deposit Adjustments	Net Deposits	Funded	Totals By Card Type		Totals By Card Type		Totals By Card Type		Totals By Card Type	
1/12	4	\$ 299.00	\$ 0.00	\$ 299.00	\$ 299.00	MC*	\$ 46.00	VISA*	\$ 253.00	DSCV*	\$ 0.00	AMEX	\$ 0.00
						JCB	\$ 0.00						
	18	\$ 589.00	\$ 0.00	\$ 589.00	\$ 474.00	MC*	\$ 207.00	VISA*	\$ 267.00	DSCV*	\$ 0.00	AMEX	\$ 115.00
						JCB	\$ 0.00						
1/12 Total	37	\$ 1,319.00	\$ 0.00	\$ 1,319.00	\$ 1,147.00	MC*	\$ 322.00	VISA*	\$ 825.00	DSCV*	\$ 0.00	AMEX	\$ 172.00
						JCB	\$ 0.00						
1/14	22	\$ 555.00	\$ 0.00	\$ 555.00	\$ 463.00	MC*	\$ 161.00	VISA*	\$ 302.00	DSCV*	\$ 0.00	AMEX	\$ 92.00
						JCB	\$ 0.00						
	4	\$ 161.00	\$ 0.00	\$ 161.00	\$ 161.00	MC*	\$ 0.00	VISA*	\$ 161.00	DSCV*	\$ 0.00	AMEX	\$ 0.00
						JCB	\$ 0.00						
	3	\$ 115.00	\$ 0.00	\$ 115.00	\$ 115.00	MC*	\$ 69.00	VISA*	\$ 46.00	DSCV*	\$ 0.00	AMEX	\$ 0.00
						JCB	\$ 0.00						
	30	\$ 945.00	\$ 0.00	\$ 945.00	\$ 876.00	MC*	\$ 161.00	VISA*	\$ 715.00	DSCV*	\$ 0.00	AMEX	\$ 69.00
						JCB	\$ 0.00						
1/14 Total	59	\$ 1,776.00	\$ 0.00	\$ 1,776.00	\$ 1,615.00	MC*	\$ 391.00	VISA*	\$ 1,224.00	DSCV*	\$ 0.00	AMEX	\$ 161.00
						JCB	\$ 0.00						
1/15	20	\$ 713.00	\$ 0.00	\$ 713.00	\$ 621.00	MC*	\$ 46.00	VISA*	\$ 575.00	DSCV*	\$ 0.00	AMEX	\$ 92.00
						JCB	\$ 0.00						
	4	\$ 113.00	\$ 0.00	\$ 113.00	\$ 113.00	MC*	\$ 46.00	VISA*	\$ 67.00	DSCV*	\$ 0.00	AMEX	\$ 0.00
						JCB	\$ 0.00						
	5	\$ 161.00	\$ 0.00	\$ 161.00	\$ 161.00	MC*	\$ 69.00	VISA*	\$ 92.00	DSCV*	\$ 0.00	AMEX	\$ 0.00
						JCB	\$ 0.00						
	23	\$ 807.00	\$ 0.00	\$ 807.00	\$ 715.00	MC*	\$ 140.00	VISA*	\$ 575.00	DSCV*	\$ 0.00	AMEX	\$ 92.00
						JCB	\$ 0.00						
1/15 Total	52	\$ 1,794.00	\$ 0.00	\$ 1,794.00	\$ 1,810.00	MC*	\$ 301.00	VISA*	\$ 1,309.00	DSCV*	\$ 0.00	AMEX	\$ 184.00
						JCB	\$ 0.00						
1/19	29	\$ 989.00	\$ 0.00	\$ 989.00	\$ 966.00	MC*	\$ 115.00	VISA*	\$ 851.00	DSCV*	\$ 0.00	AMEX	\$ 23.00
						JCB	\$ 0.00						
	6	\$ 184.00	\$ 0.00	\$ 184.00	\$ 138.00	MC*	\$ 69.00	VISA*	\$ 69.00	DSCV*	\$ 0.00	AMEX	\$ 46.00
						JCB	\$ 0.00						

\*Funded

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**Deposit Summary**

Post Date	Number of Items	Total Deposit Amount	Deposit Adjustments	Net Deposits	Funded	Totals By Card Type		Totals By Card Type		Totals By Card Type		Totals By Card Type	
1/19	7	\$ 233.00	\$ 0.00	\$ 233.00	\$ 233.00	MC*	\$ 0.00	VISA*	\$ 233.00	DSCV*	\$ 0.00	AMEX	\$ 0.00
						JCB	\$ 0.00						
	34	\$ 966.00	\$ 0.00	\$ 966.00	\$ 920.00	MC*	\$ 138.00	VISA*	\$ 782.00	DSCV*	\$ 0.00	AMEX	\$ 46.00
						JCB	\$ 0.00						
1/19 Total	76	\$ 2,372.00	\$ 0.00	\$ 2,372.00	\$ 2,257.00	MC*	\$ 322.00	VISA*	\$ 1,935.00	DSCV*	\$ 0.00	AMEX	\$ 115.00
						JCB	\$ 0.00						
1/20	25	\$ 736.00	\$ 0.00	\$ 736.00	\$ 690.00	MC*	\$ 230.00	VISA*	\$ 460.00	DSCV*	\$ 0.00	AMEX	\$ 46.00
						JCB	\$ 0.00						
	8	\$ 414.00	\$ 0.00	\$ 414.00	\$ 414.00	MC*	\$ 69.00	VISA*	\$ 345.00	DSCV*	\$ 0.00	AMEX	\$ 0.00
						JCB	\$ 0.00						
	3	\$ 92.00	\$ 0.00	\$ 92.00	\$ 92.00	MC*	\$ 23.00	VISA*	\$ 23.00	DSCV*	\$ 46.00	AMEX	\$ 0.00
						JCB	\$ 0.00						
	20	\$ 511.03	\$ 0.00	\$ 511.03	\$ 511.03	MC*	\$ 148.15	VISA*	\$ 362.88	DSCV*	\$ 0.00	AMEX	\$ 0.00
						JCB	\$ 0.00						
1/20 Total	56	\$ 1,753.03	\$ 0.00	\$ 1,753.03	\$ 1,707.03	MC*	\$ 470.15	VISA*	\$ 1,190.88	DSCV*	\$ 46.00	AMEX	\$ 46.00
						JCB	\$ 0.00						
1/21	18	\$ 604.00	\$ 0.00	\$ 604.00	\$ 581.00	MC*	\$ 161.00	VISA*	\$ 397.00	DSCV*	\$ 23.00	AMEX	\$ 23.00
						JCB	\$ 0.00						
	3	\$ 92.00	\$ 0.00	\$ 92.00	\$ 92.00	MC*	\$ 23.00	VISA*	\$ 69.00	DSCV*	\$ 0.00	AMEX	\$ 0.00
						JCB	\$ 0.00						
	34	\$ 1,016.00	\$ 0.00	\$ 1,016.00	\$ 1,016.00	MC*	\$ 207.00	VISA*	\$ 809.00	DSCV*	\$ 0.00	AMEX	\$ 0.00
						JCB	\$ 0.00						
1/21 Total	55	\$ 1,712.00	\$ 0.00	\$ 1,712.00	\$ 1,689.00	MC*	\$ 391.00	VISA*	\$ 1,275.00	DSCV*	\$ 23.00	AMEX	\$ 23.00
						JCB	\$ 0.00						
1/22	1	\$ 23.00	\$ 0.00	\$ 23.00	\$ 23.00	MC*	\$ 0.00	VISA*	\$ 23.00	DSCV*	\$ 0.00	AMEX	\$ 0.00
						JCB	\$ 0.00						
	17	\$ 646.00	\$ 0.00	\$ 646.00	\$ 646.00	MC*	\$ 92.00	VISA*	\$ 554.00	DSCV*	\$ 0.00	AMEX	\$ 0.00
						JCB	\$ 0.00						
	1	\$ 23.00	\$ 0.00	\$ 23.00	\$ 23.00	MC*	\$ 0.00	VISA*	\$ 23.00	DSCV*	\$ 0.00	AMEX	\$ 0.00
						JCB	\$ 0.00						

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Statement Period: 01-Jan-2016 - 31-Jan-2016

Merchant Number:

### Deposit Summary

Post Date	Number of Items	Total Deposit Amount	Deposit Adjustments	Net Deposits	Funded	Totals By Card Type		Totals By Card Type		Totals By Card Type		Totals By Card Type	
1/22	33	\$ 954.00	\$ 0.00	\$ 954.00	\$ 908.00	MC*	\$ 207.00	VISA*	\$ 701.00	DSCV*	\$ 0.00	AMEX	\$ 46.00
						JCB	\$ 0.00						
1/22 Total	52	\$ 1,646.00	\$ 0.00	\$ 1,646.00	\$ 1,600.00	MC*	\$ 299.00	VISA*	\$ 1,301.00	DSCV*	\$ 0.00	AMEX	\$ 46.00
						JCB	\$ 0.00						
1/25	23	\$ 759.00	\$ 0.00	\$ 759.00	\$ 667.00	MC*	\$ 345.00	VISA*	\$ 322.00	DSCV*	\$ 0.00	AMEX	\$ 92.00
						JCB	\$ 0.00						
	6	\$ 161.00	\$ 0.00	\$ 161.00	\$ 161.00	MC*	\$ 46.00	VISA*	\$ 115.00	DSCV*	\$ 0.00	AMEX	\$ 0.00
						JCB	\$ 0.00						
	25	\$ 736.00	\$ 0.00	\$ 736.00	\$ 736.00	MC*	\$ 92.00	VISA*	\$ 644.00	DSCV*	\$ 0.00	AMEX	\$ 0.00
						JCB	\$ 0.00						
1/25 Total	54	\$ 1,656.00	\$ 0.00	\$ 1,656.00	\$ 1,564.00	MC*	\$ 483.00	VISA*	\$ 1,081.00	DSCV*	\$ 0.00	AMEX	\$ 92.00
						JCB	\$ 0.00						
1/26	22	\$ 761.00	\$ 0.00	\$ 761.00	\$ 646.00	MC*	\$ 69.00	VISA*	\$ 554.00	DSCV*	\$ 23.00	AMEX	\$ 115.00
						JCB	\$ 0.00						
	10	\$ 282.00	\$ 0.00	\$ 282.00	\$ 282.00	MC*	\$ 0.00	VISA*	\$ 282.00	DSCV*	\$ 0.00	AMEX	\$ 0.00
						JCB	\$ 0.00						
	10	\$ 598.00	\$ 0.00	\$ 598.00	\$ 529.00	MC*	\$ 345.00	VISA*	\$ 184.00	DSCV*	\$ 0.00	AMEX	\$ 69.00
						JCB	\$ 0.00						
1/26 Total	42	\$ 1,641.00	\$ 0.00	\$ 1,641.00	\$ 1,457.00	MC*	\$ 414.00	VISA*	\$ 1,020.00	DSCV*	\$ 23.00	AMEX	\$ 184.00
						JCB	\$ 0.00						
1/27	19	\$ 665.00	\$ 0.00	\$ 665.00	\$ 665.00	MC*	\$ 276.00	VISA*	\$ 389.00	DSCV*	\$ 0.00	AMEX	\$ 0.00
						JCB	\$ 0.00						
	2	\$ 69.00	\$ 0.00	\$ 69.00	\$ 46.00	MC*	\$ 0.00	VISA*	\$ 46.00	DSCV*	\$ 0.00	AMEX	\$ 23.00
						JCB	\$ 0.00						
	28	\$ 948.00	\$ 0.00	\$ 948.00	\$ 902.00	MC*	\$ 140.00	VISA*	\$ 762.00	DSCV*	\$ 0.00	AMEX	\$ 46.00
						JCB	\$ 0.00						
1/27 Total	49	\$ 1,682.00	\$ 0.00	\$ 1,682.00	\$ 1,613.00	MC*	\$ 416.00	VISA*	\$ 1,197.00	DSCV*	\$ 0.00	AMEX	\$ 69.00
						JCB	\$ 0.00						
1/28	22	\$ 688.00	\$ 0.00	\$ 688.00	\$ 642.00	MC*	\$ 205.00	VISA*	\$ 437.00	DSCV*	\$ 0.00	AMEX	\$ 46.00
						JCB	\$ 0.00						

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**Deposit Summary**

Post Date	Number of Items	Total Deposit Amount	Deposit Adjustments	Net Deposits	Funded	Totals By Card Type		Totals By Card Type		Totals By Card Type		Totals By Card Type	
1/28	3	\$ 92.00	\$ 0.00	\$ 92.00	\$ 92.00	MC*	\$ 46.00	VISA*	\$ 46.00	DSCV*	\$ 0.00	AMEX	\$ 0.00
						JCB	\$ 0.00						
	23	\$ 715.00	\$ 0.00	\$ 715.00	\$ 715.00	MC*	\$ 230.00	VISA*	\$ 485.00	DSCV*	\$ 0.00	AMEX	\$ 0.00
						JCB	\$ 0.00						
1/28 Total	48	\$ 1,495.00	\$ 0.00	\$ 1,495.00	\$ 1,449.00	MC*	\$ 481.00	VISA*	\$ 968.00	DSCV*	\$ 0.00	AMEX	\$ 46.00
						JCB	\$ 0.00						
1/29	21	\$ 690.00	\$ 0.00	\$ 690.00	\$ 575.00	MC*	\$ 161.00	VISA*	\$ 414.00	DSCV*	\$ 0.00	AMEX	\$ 115.00
						JCB	\$ 0.00						
	9	\$ 299.00	\$ 0.00	\$ 299.00	\$ 299.00	MC*	\$ 115.00	VISA*	\$ 184.00	DSCV*	\$ 0.00	AMEX	\$ 0.00
						JCB	\$ 0.00						
	23	\$ 911.00	\$ 0.00	\$ 911.00	\$ 888.00	MC*	\$ 230.00	VISA*	\$ 658.00	DSCV*	\$ 0.00	AMEX	\$ 23.00
						JCB	\$ 0.00						
1/29 Total	53	\$ 1,900.00	\$ 0.00	\$ 1,900.00	\$ 1,762.00	MC*	\$ 506.00	VISA*	\$ 1,256.00	DSCV*	\$ 0.00	AMEX	\$ 138.00
						JCB	\$ 0.00						
Totals	917	\$ 29,743.03	\$ 0.00	\$ 29,743.03	\$ 28,292.44	MC*	\$ 6,910.15	VISA*	\$ 21,221.29	DSCV*	\$ 161.00	AMEX	\$ 1,450.59
						JCB	\$ 0.00						

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Statement Period: 01-Jan-2016 - 31-Jan-2016

Merchant Number:

### Funding Summary

Date	Deposits	Chargebacks/ Reversals	Financial Adjustments	Charges/ Fees	Amount Transferred
1/1	\$ 0.00	\$ 0.00	\$ 0.00	\$ (435.70)	\$ (435.70)
1/4	\$ 1,541.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 1,541.00
1/5	\$ 949.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 949.00
1/6	\$ 1,112.41	\$ 0.00	\$ 0.00	\$ 0.00	\$ 1,112.41
1/7	\$ 1,776.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 1,776.00
1/8	\$ 1,863.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 1,863.00
1/11	\$ 1,581.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 1,581.00
1/12	\$ 1,147.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 1,147.00
1/14	\$ 1,615.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 1,615.00
1/15	\$ 1,610.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 1,610.00
1/19	\$ 2,257.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 2,257.00
1/20	\$ 1,707.03	\$ 0.00	\$ 0.00	\$ 0.00	\$ 1,707.03
1/21	\$ 1,689.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 1,689.00
1/22	\$ 1,600.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 1,600.00
1/25	\$ 1,564.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 1,564.00
1/26	\$ 1,457.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 1,457.00
1/27	\$ 1,613.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 1,613.00
1/28	\$ 1,449.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 1,449.00
1/29	\$ 1,762.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 1,762.00
Totals	\$ 28,292.44	\$ 0.00	\$ 0.00	\$ (435.70)	\$ 27,856.74

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**Credit Card Summary**

Card	Number of Items	Sales	Number of Items	Credits	Total Number of Items	Net Sales	Average Ticket
MASTERCARD	216	\$ 6,910.15	0	\$ 0.00	216	\$ 6,910.15	\$ 31.99
VISA	656	\$ 21,241.29	1	\$ (20.00)	657	\$ 21,221.29	\$ 32.30
DISCOVER	5	\$ 161.00	0	\$ 0.00	5	\$ 161.00	\$ 32.20
AMERICAN EXPRESS	39	\$ 1,450.59	0	\$ 0.00	39	\$ 1,450.59	\$ 37.19
JCB	0	\$ 0.00	0	\$ 0.00	0	\$ 0.00	\$ 0.00
Totals	916	\$ 29,763.03	1	\$ (20.00)	917	\$ 29,743.03	

**Tax Information**

The Tax ID Number we have on record currently matches IRS records. There is no action required on your part at this time.  
 Please contact 866-814-2769 with any questions pertaining to the IRS mandate.

† All amounts in US Dollars  
 If you have any questions regarding your statement, please contact: 1.888.886.8869





Statement Period: 01-Jan-2016 - 31-Jan-2016  
Merchant Number:

### Financial Adjustments

Date	Adjustment Description	Items	Amount
No Records Found			
			0

† Bank account number  
† Reflects most current bank account number  
† All amounts in US Dollars  
If you have any questions regarding your statement, please contact: 1.888.886.8869



Statement Period: 01-Jan-2016 - 31-Jan-2016

Merchant Number:

### Chargebacks & Reversals

Date	ACS Number	Chargeback/Reversal Reason	Items	Amount
No Records Found				
Total Chargebacks			0	\$ 0.00
Total Reversals			0	\$ 0.00

† Bank account number

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† All amounts in US Dollars

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**Charges & Fees**

Description	Sales Amount	Items	Rate	Item Charge	Amount Charged*
<b>MasterCard Charges</b>					
MC BUS SPEND LEVEL 2 DATA RATE II	\$ 46.00	2	2.10%	\$ 0.10	\$ 1.19
MC COMM DATA RATE 2 BUS DEBIT & PREPAID	\$ 46.00	2	2.20%	\$ 0.10	\$ 1.22
MC EMERGING MKTS EDU/GOV DBT	\$ 2,831.00	99	0.65%	\$ 0.15	\$ 33.28
MC EMERGING MKTS EDU/GOV PP	\$ 217.15	7	0.65%	\$ 0.15	\$ 2.46
MC ENHANCED PUBLIC SECTOR	\$ 205.00	7	1.55%	\$ 0.10	\$ 3.88
MC HIGH VALUE PUBLIC SECTOR	\$ 138.00	2	1.55%	\$ 0.10	\$ 2.34
MC INTERNATIONAL ELECTRONIC	\$ 69.00	2	1.10%		\$ 0.76
MC PUBLIC SECTOR	\$ 506.00	16	1.55%	\$ 0.10	\$ 9.45
MC REGULATED POS DEBIT WITH FRAUD ADJ	\$ 1,932.00	60	0.05%	\$ 0.22	\$ 14.16
MC WORLD ELITE PUBLIC SECTOR	\$ 345.00	8	1.55%	\$ 0.10	\$ 6.14
MC WORLD US PUBLIC SECTOR	\$ 575.00	11	1.55%	\$ 0.10	\$ 10.03
MC DISCOUNT RATE	\$ 6,910.15		0.03%		\$ 2.08
<b>Total MasterCard Discount Fees</b>					\$ 86.99
<b>Visa Charges</b>					
VISA BUS DEBIT - CARD PRESENT	\$ 69.00	3	1.70%	\$ 0.10	\$ 1.47
VISA BUSINESS TIER 1 - CNP	\$ 25.00	1	2.25%	\$ 0.10	\$ 0.66
VISA BUSINESS TIER 2 - RETAIL	\$ 161.00	3	2.30%	\$ 0.10	\$ 4.01
VISA BUSINESS TIER 3 - CNP	\$ 29.00	1	2.60%	\$ 0.20	\$ 0.95
VISA BUSINESS TIER 4 - CNP	\$ 301.00	5	2.70%	\$ 0.20	\$ 9.13
VISA BUSINESS TIER 4 - RETAIL	\$ 50.00	2	2.50%	\$ 0.10	\$ 1.46
VISA CPS RETAIL 2 (EMERGING MARKETS)	\$ 4,818.00	130	1.43%	\$ 0.05	\$ 75.39
VISA CPS RETAIL DEBIT	\$ 3,275.00	111	0.80%	\$ 0.15	\$ 42.84
VISA CPS RETAIL PREPAID	\$ 1,035.00	36	1.15%	\$ 0.15	\$ 17.28
VISA CPS SMALL TICKET DEBIT	\$ 3.00	1	1.55%	\$ 0.04	\$ 0.09
VISA CPS SMALL TICKET DEBIT & PREPAID REG	\$ 12.00	3	0.05%	\$ 0.22	\$ 0.66

† Bank account number

† Reflects most current bank account number

\*\*Chargeback Interchange Refund

\*\*\*Chargeback Reversal Interchange Expense

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\*Calculated daily, rounding differences may occur



**Charges & Fees**

Description	Sales Amount	Items	Rate	Item Charge	Amount Charged*
<b>Visa Charges</b>					
VISA CPS SMALL TICKET PREPAID	\$ 24.29	3	1.60%	\$ 0.05	\$ 0.54
VISA DEBIT & PREPAID REGULATED	\$ 9,093.00	308	0.05%	\$ 0.22	\$ 72.30
VISA INTERREG ELECTRONIC	\$ 184.00	2	1.10%		\$ 2.02
VISA INTERREG PREMIUM CARD	\$ 92.00	1	1.80%		\$ 1.66
VISA PURCHASING CARD - CARD PRESENT	\$ 69.00	3	2.50%	\$ 0.10	\$ 2.04
VISA SIGNATURE PREFERRED RETAIL	\$ 2,001.00	43	2.10%	\$ 0.10	\$ 46.34
VISA DISCOUNT RATE	\$ 21,202.00		0.03%		\$ 6.39
<b>Total Visa Discount Fees</b>					<b>\$ 285.23</b>
<b>Discover Charges</b>					
DISCOVER COMMERCIAL ELECTRONIC SUBMISSION LEV	\$ 23.00	1	2.30%	\$ 0.10	\$ 0.63
DISCOVER PSL PUBLIC SERV - REWARD	\$ 115.00	3	1.55%	\$ 0.10	\$ 2.08
DISCOVER PSL PUBLIC SERVICES PREMIUM PLUS	\$ 23.00	1	1.55%	\$ 0.10	\$ 0.46
DSCV DISCOUNT RATE	\$ 161.00		0.03%		\$ 0.05
<b>Total Discover Discount Fees</b>					<b>\$ 3.22</b>
<b>Auth Fees</b>					
AMEX AUTH FEE		40		\$ 0.08	\$ 3.20
DSCV AUTH FEE		5		\$ 0.08	\$ 0.40
MC AUTH FEE		223		\$ 0.05	\$ 11.15
VISA AUTH FEE		684		\$ 0.05	\$ 34.20
<b>Total Auth Fees</b>					<b>\$ 48.95</b>
<b>Other Fees</b>					
ACH TRANSFER FEE		20		\$ 0.50	\$ 10.00
DSCV ASSESSMENT	\$ 161.00		0.11%		\$ 0.19
DSCV DATA USAGE FEE		5		\$ 0.0185	\$ 0.10
MC ACQUIRING LICENSE FEE	\$ 4,234.00	129	0.004%		\$ 0.24

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**Charges & Fees**

Description	Sales Amount	Items	Rate	Item Charge	Amount Charged*
<b>Other Fees</b>					
MC ASSESSMENT	\$ 6,910.15		0.12%		\$ 8.40
MC CROSS-BORDER ASSESSMENT FEE	\$ 69.00		0.60%		\$ 0.41
MC INTERNATIONAL SUPPORT FEE	\$ 69.00	2	0.85%		\$ 0.59
MC NABU FEE		221		\$ 0.0195	\$ 4.28
VISA ASSESSMENT	\$ 13,594.29		0.11%		\$ 14.96
VISA ASSESSMENT	\$ 7,638.00		0.13%		\$ 9.97
VISA AUTH PROC FEE (APF) CR		195		\$ 0.0195	\$ 3.82
VISA AUTH PROC FEE(APF) DBT		489		\$ 0.0155	\$ 7.61
VISA FIX ACQ NTKW FEE 1B		1		\$ 6.00	\$ 6.00
VISA FIX ACQ NTKW FEE 2		1		\$ 0.09	\$ 0.09
VISA INTERREG IAF FEE (STAND)	\$ 276.00		0.45%		\$ 1.23
VISA INTL SERVICE ASSESSMENT FEE	\$ 276.00		0.80%		\$ 2.22
<i>Total of Other Fees</i>					\$ 70.11
<b>Total Charges and Fees</b>					<b>\$ 494.50</b>

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